Metro——Dynamics

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A Local Growth Plan for Kent and Medway

Kent and Medway Economic Partnership

SECOND DRAFT

September 2026

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A Statement of Our Ambition

The Local Growth Plan was commissioned by Kent and Medway Economic Partnership (KMEP), the area's Local Growth Board, which brings together representatives from business, local government, and further and higher education.

This plan represents a statement of ambition and intent. Kent and Medway is an area that already plays an important role in the national economy, but it is also one that could be much more. We have real and distinctive strengths across our economy and asset base, yet there are also real challenges facing people living, working and running businesses in Kent and Medway. Despite our scale and importance, this is a place that has sometimes struggled to articulate a clear and shared story about its economic opportunity.

At A Moment of Opportunity

This plan is intended to support real change in that position by articulating Kent and Medway's economic opportunity and setting out a shared vision for growth. It comes at a moment when there is new momentum behind the area's future.

Developed against the backdrop of local government reorganisation, with the future organisation of local government now known, the plan provides an opportunity to establish a clearer and more coherent growth narrative as Kent and Medway looks to the future, including towards a potential mayoral strategic authority.

The purpose of the plan is not simply to identify projects or priorities. It is to provide a framework for how we can build on our distinctive strengths, respond to long-standing challenges and make a stronger contribution to regional and national growth.

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Expanding Our Vital Role in a Growing, Prosperous UK

A more prosperous and faster-growing UK economy will depend on secure and affordable energy, stronger international trading relationships, enhanced digital infrastructure and capabilities, and more innovative approaches to food production that boost productivity while supporting better health, sustainability, and economic resilience.

Kent and Medway have a vital and necessary role to play in delivering these ambitions.

Our contribution to growth is dual in nature as both a large sub-region with clear ambitions and opportunities for growth, and an enabler of growth elsewhere.

As arguably the UK's main gateway to Europe for people and goods, and increasingly for energy, Kent & Medway provide nationally significant infrastructure, connectivity and capabilities that support economic activity far beyond its boundaries. UK trade, food, and energy security is reliant on Kent & Medway. Our growth is not only important for the area itself, but for the wider UK economy.

As A Place with Distinctive Strengths.

Kent and Medway's opportunity is rooted in a combination of assets and advantages that few places can match. Located on the doorstep of London and at the UK's closest point to mainland Europe, we combine a strategic location with extensive coastal assets, a strong food production base, a rich industrial heritage, innovation strengths, rail infrastructure, distinctive cultural assets and a diverse economy.

The challenge is not identifying strengths. It is bringing them together into a coherent vision for growth and ensuring that they translate into greater prosperity, higher productivity, increased investment and improved opportunities for residents and businesses. The Local Growth Plan is intended to help achieve that.

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A Vision for Our Economy

By 2035, Kent & Medway will be recognised as the UK's gateway growth economy: *the one place to do it all*. A world-class place to live, work, invest and thrive, driving high-growth opportunities, employment, and investment in agri-food, energy, digital innovation and trade, and creating prosperity, aspiration and resilience for our communities and the nation.

Our ambition is to capture more social and economic value from the strengths, assets and opportunities that already exist, translating our strategic importance into greater local prosperity, productivity and opportunity. This will mean turning nationally significant infrastructure, sector strengths and connectivity into higher productivity, stronger local supply chains, better jobs and clearer routes for businesses to scale.

The Journey to Get There

Through implementing our local growth plan, we will create a more dynamic, productive and connected economy that captures greater value from its assets, infrastructure and economic strengths. We will foster a competitive and business-friendly economy through modern infrastructure, access to skilled labour, efficient planning systems, reliable energy capacity, strong digital connectivity, effective transport networks, vibrant supply chains and a policy environment that supports enterprise. These are the fundamentals that allow businesses to grow with confidence, create jobs and invest for the future.

Achieving this step change in growth will require action across our priority sectors alongside targeted interventions to address the cross-cutting challenges that influence how the economy functions. Together, these priorities will help create better jobs, attract investment, support innovation and strengthen Kent & Medway’s contribution to regional and national growth.

As Kent & Medway transitions to four unitary authorities and works towards a future Mayoral Strategic Authority, this Local Growth Plan provides a shared framework for growth and a common set of priorities around which partners can align investment, activity and decision-making.

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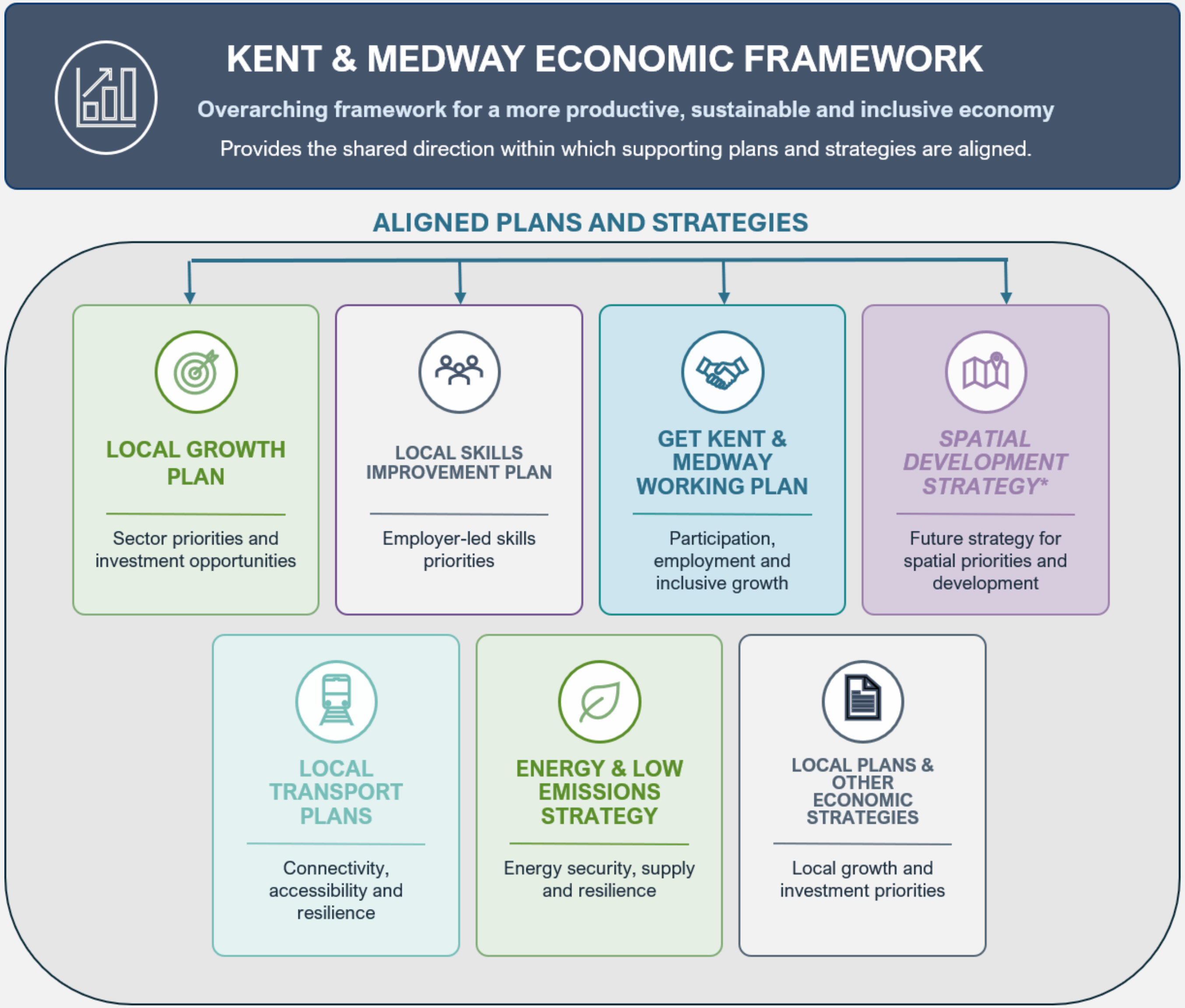

A Pillar Within A Wider Strategic Framework

Kent and Medway's economic ambitions are supported by a range of complementary strategies and plans.

The Kent & Medway Economic Framework (KMEF) is the overarching framework for a more productive, sustainable and inclusive economy, focused on five 'thematic' ambitions:

- Enable innovative, productive and creative businesses
- Widen opportunities and unlock talent
- Secure resilient infrastructure for sustainable growth
- Place economic opportunity at the centre of community wellbeing and prosperity
- Create diverse, distinctive and vibrant places

The Local Growth Plan sits within this framework, providing a deeper focus on Kent & Medway's four distinctive high-growth sectors and the interventions and investable opportunities needed to accelerate growth:

- Agri-food and agri-tech
- Energy and clean growth
- Digital technologies and digital creative
- Ports, trade and logistics

Together, these plans – alongside the complimentary strategies shown in the diagram - provide a coherent and connected approach to growth, ensuring that activity is aligned across partners and supports economic growth.

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1.9 million people
2.9% of GB population

844,733 dwellings
Around 2.3 people per household

£40,000 median annual earnings
For full-time employees living locally

45% qualified to RQF4+
Of working age residents

Healthy life expectancy of 62 years
1.1 years above England average

6.7% of inactivity due to long-term sickness
Above the GB average of 5.6%

Targeting growth to deliver prosperity across Kent and Medway

Our 1.9 million residents are at the heart of our ambitions. Growth can improve people's lives by creating good jobs, raising incomes and expanding access to opportunity, and these opportunities will come from across our diverse economy. While this Plan focuses on four priority sectors that build on our distinctive local strengths and offer significant growth potential, prosperity will also be supported by the wider economy, including sectors such as health, construction, tourism, defence-related activity and life sciences.

Kent and Medway faces significant challenges, including economic inactivity, deprivation, health inequalities and uneven access to opportunity. Around 250,000 residents are economically inactive, with 6.7% of the working-age population inactive because of long-term sickness, compared with an average of 5.6% across Great Britain. These challenges can limit participation in the labour market and prevent residents from benefiting fully from economic growth. Addressing them will require coordinated action across economic development, skills, health, housing and infrastructure, creating clearer pathways into good work, supporting healthier working lives, and enabling more residents to participate in and benefit from the opportunities growth creates.

Growth that is felt across Kent and Medway also depends on the infrastructure that shapes access to opportunity. This means connecting homes and jobs through transport and digital infrastructure, providing the energy and workspace businesses need to grow, and ensuring investment in places and communities keeps pace with economic development. Widening opportunity will also require clear pathways into good jobs through careers support, work experience, training and apprenticeships that respond to employer needs.

Improving the lives of our 1.9 million residents is a central objective of the Local Growth Plan. Success should be reflected not only in productivity, investment and business growth, but also in labour market participation, progression into good work, healthier working lives and rising prosperity across Kent and Medway. The Local Growth Plan will therefore be considered as a complementary part of our counties economic development framework, and work alongside the Skills Delivery Strategy, the Local Skills Improvement Plan, the Get Kent and Medway Working Strategy, health and wellbeing initiatives, wider sector strategies, and investment in housing, infrastructure and communities, to deliver greater prosperity locally. This includes building on the Kent Marmot Coastal Region initiative which brings partners together to tackle the underlying social and economic causes of health inequalities in coastal communities.

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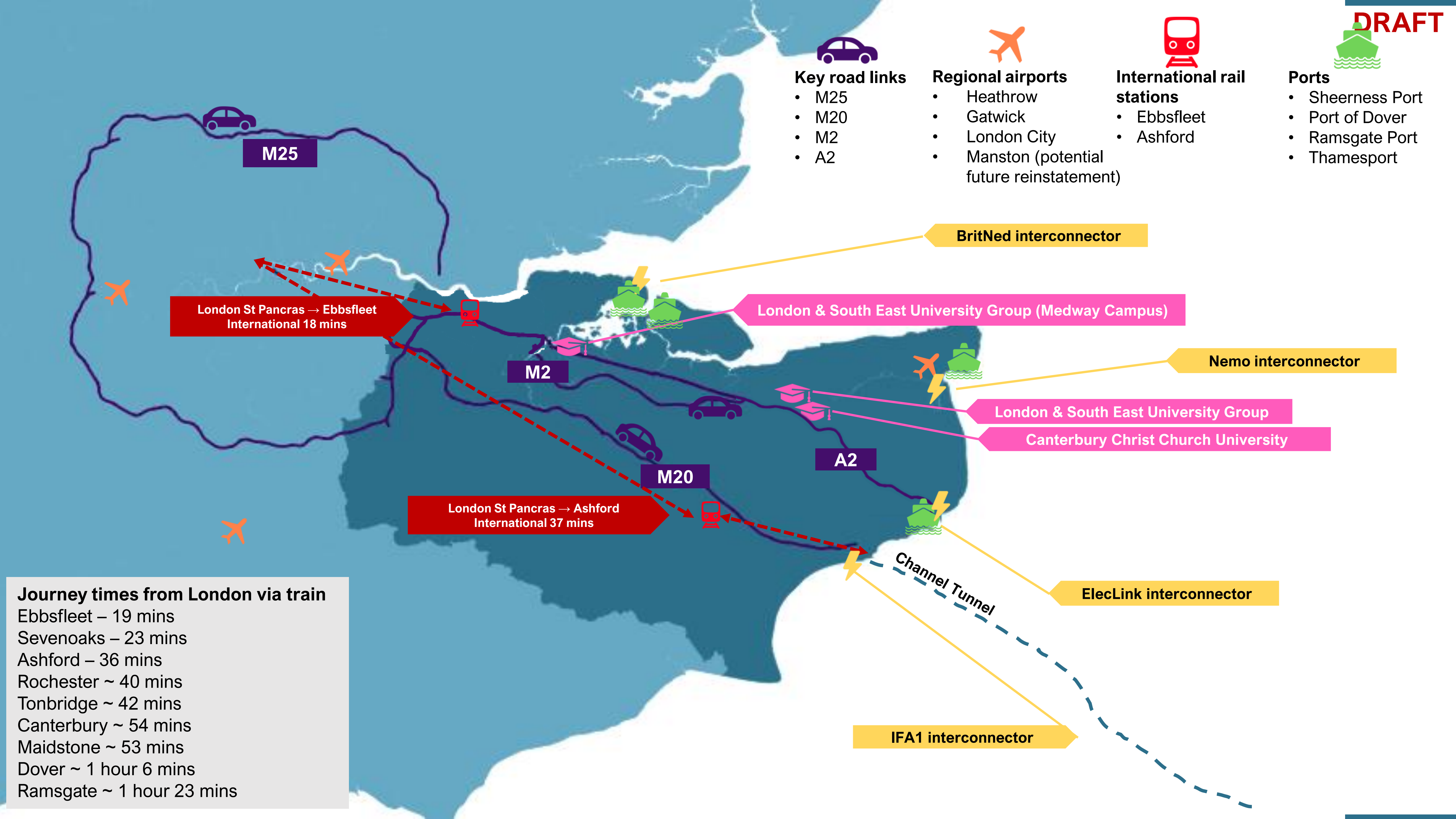

Key road links
- M25
- M20
- M2
- A2

Regional airports
- Heathrow
- Gatwick
- London City
- Manston (potential future reinstatement)

International rail stations
- Ebbsfleet
- Ashford

Ports
- Sheerness Port
- Port of Dover
- Ramsgate Port
- Thamesport

Journey times from London via train

Ebbsfleet – 19 mins
Sevenoaks – 23 mins
Ashford – 36 mins
Rochester ~ 40 mins
Tonbridge ~ 42 mins
Canterbury ~ 54 mins
Maidstone ~ 53 mins
Dover ~ 1 hour 6 mins
Ramsgate ~ 1 hour 23 mins

More than a local economy

Kent and Medway spans a large geographic and economic footprint. Covering an area around 2.25 times the size of Greater London, our economy generates over £50 billion in GVA, supports roughly 767,000 jobs and over 71,000 businesses. We are formed of a collection of cities, urban centres, villages, rural and coastal communities with varying strengths and challenges.

Our location and assets give our region a role that extends beyond Kent and Medway's borders. Our proximity to London and mainland Europe, nationally strategic ports and transport infrastructure, high-quality agricultural land, extensive coastal and energy assets, universities, innovation assets and a diverse business base support economic activity and supply chains all across the UK.

Our distinctive economy is grounded in a combination of assets and economic strengths that few places can match. We have long been recognised as the Garden of England, but the strength and significance of our economy extends beyond this identity. Our natural assets and agricultural land support nationally important food production, a globally significant horticulture cluster and growing strengths in agri-tech, food innovation, health and nutrition. Our coastline together with our ports, the Channel Tunnel and strategic transport connections, means we operate at the heart of the UK's relationship with Europe and makes us critical to national trade and supply chains.

We are one of the UK's most important energy gateways, hosting infrastructure that supports the security, resilience and future decarbonisation of the national energy system. Our strengths in the creative industries and digital manufacturing and specialist technologies provide high value capabilities to inform innovation and transform activity across those sectors upon which our national economy relies.

71,000 Businesses
Over 99% of our business base is SMEs

767,000 employment
16% of those employed work in priority sectors

£50bn Gross Value Added
Larger than 14 of the 22 current strategic authorities.

Productivity £65,672
Slightly below the national average

**2023 Figures*

Sector Opportunities

A place-based set of growth opportunities, selected for their relevance to our assets, capabilities and national role.

Placeholder photos – *will be replaced before final publication*

We have taken a place-based approach to identifying our sector growth opportunities

Kent and Medway's economy is characterised by its diversity, with economic activity spread across a broad range of sectors including from health to life sciences, the visitor economy and construction, defence-related industries, public services and many other sectors. The four sectors prioritised in this Plan complement rather than replace these wider economic strengths. In developing the Local Growth Plan, our objective was to identify growth opportunities from the bottom up, grounded in the specific characteristics of the local economy rather than driven primarily by external frameworks.

Building on strengths and comparative advantage

The purpose of prioritising these sectors is not simply to identify industries that are already large, but to identify areas where Kent and Medway can build on existing strengths to drive future growth through innovation, productivity improvement and increased competitiveness.

Many of these opportunities are rooted in the area's natural, geographic, and economic endowments. These characteristics provide comparative advantages that make particular activities more viable here than elsewhere and create the conditions for new business activity, investment, and innovation.

Aligned to national priorities, led by local opportunity

This approach means that the priority sectors identified for Kent and Medway do not align perfectly with the Industrial Strategy's eight growth-driving sectors (IS-8).. This is a strength of the approach rather than a limitation. The Local Growth Plan, and priority sectors were selected through analysis of Kent and Medway’s economy, assets, capabilities and growth opportunities. They identify areas where targeted intervention can build competitive advantage, increase productivity, and attract investment, while showing clearly how these make a stronger contribution to national growth. For example:

- Energy contributes directly to clean-energy industries
- Digital and technology capabilities support activity across advanced manufacturing and digital and creative industries
- Agri-food combines manufacturing capabilities with links to life sciences and innovation.
- Ports, transport and logistics provide the infrastructure and supply-chain capabilities that enable growth across these and other nationally important sectors.

In this sense, the priority sectors reflect both Kent and Medway's unique economic strengths and its contribution to wider national growth objectives.

Growth beyond priority sectors

The sectors highlighted in this chapter will not account for all future economic growth in Kent and Medway. Taken together, they represent only a proportion of total employment and economic activity. Many other sectors will continue to play a vital role in the area's economy, including public services, the visitor economy, life sciences, construction, and other important local industries.

The purpose of identifying priority sectors is therefore not to suggest that growth should occur only in these areas. Rather, it is to identify those sectors where targeted action has the greatest potential to accelerate high-value growth, stimulate innovation, attract investment, and strengthen competitive advantage.

The collective opportunity for Kent and Medway

The priority sectors should be understood as a connected set of opportunities. Their importance lies not only in their individual growth potential, but in the way they reinforce one another through shared infrastructure, supply chains, skills, innovation and markets.

A strong example is transport and logistics. While not an Industrial Strategy priority sector in its own right, it is a critical enabling capability. As the UK's gateway to Europe and a major node in national and international supply chains, our logistic assets support trade, exports, and business activity across multiple sectors. Growth and innovation in logistics therefore have the potential to strengthen the performance of many other priority sectors.

Similarly, connections between energy, digital technologies, manufacturing, and agri-food create opportunities for innovation, productivity improvements, and new business models that cut across traditional sector boundaries.

Taken together, these sectors form a portfolio of opportunities that can support a more productive, innovative, and export-oriented economy. They represent not only individual growth opportunities but also a set of interconnected strengths that can collectively contribute to long-term economic transformation.

National role of our opportunity sectors

Feeding the UK

AGRI-FOOD & AGRI-TECH

Nationally significant, combining horticulture, food innovation, nutrition, climate resilience and technology to support the UK's ambitions for food security, a healthier population and more productive, resilient food systems.

ENERGY

Important for gas & aviation fuel imports, electricity interconnectors, generation, transmission and future clean energy infrastructure directly supporting energy security, clean power and industrial decarbonisation.

Powering security and resilience

KENT & MEDWAY'S DISTINCTIVE ROLE

Trading with the world

PORTS, TRANSPORT & LOGISTICS

Critical gateway for UK and international trade, supporting ambitions supply-chain resilience and exports through its ports, Channel Tunnel, High Speed 1, road corridors and logistics hubs.

The opportunity is strongest where the sectors interact

DIGITAL & TECHNOLOGIES

high-value, key enabler across logistics, food systems, clean energy, manufacturing and creative industries, directly supporting the Industrial Strategy's Digital and Technologies priorities.

Enabling innovation & productivity

DIGITAL LOGISTICS

Customs technology, border systems and real-time supply-chain optimisation

FUTURE FOOD SYSTEMS

Agri-tech, FoodTech, controlled, healthier and resilient food systems

ENERGY-ENABLED GROWTH

Grid capacity storage, hydrogen and decarbonisation

TRADE AND FOOD RESILIENCE

Market routes to high-value, time-sensitive exportable goods

A Vision for Our Key Sectors

Agri-Food and Agri-Tech

We will strengthen our position as the UK's leading region for food and drink production and innovation.

New opportunities will emerge around health and horticulture, agri-tech, viticulture, local procurement and circular economy activity.

By strengthening collaboration across growers, businesses, researchers and public partners, the sector will move beyond production alone.

We will capture more value through research, product development, commercialisation, processing, sustainable production and stronger local supply chains - whilst making an increasingly important contribution to food security, resilience and sustainable food systems.

Digital and Technologies

We will build on our strong foundations in digital manufacturing and the digital creative industries to become a recognised hub for applied digital innovation, helping businesses develop, adopt and commercialise new technologies that improve productivity, create new products and services, and drive growth across the economy.

Stronger digital clusters, improved access to finance and the development of scale-up space will support the growth of new and existing firms.

By combining strengths in digital technologies and digital creative industries with opportunities across the wider economy, the sector will drive innovation, support business transformation and create new commercial opportunities.

Energy

We will use our nationally significant energy assets as a platform for innovation, decarbonisation and economic growth, capturing more local value from the energy transition whilst meeting the future energy needs of businesses, infrastructure and communities.

Future investment in energy infrastructure, storage, hydrogen production, industrial decarbonisation, alongside nuclear decommissioning, will create opportunities for new business activity, innovation and supply chain growth.

Growing energy demand from ports, logistics, industry and food production will support the development and deployment of new energy solutions, positioning us as a centre for energy innovation as well as energy generation.

Ports, Transport & Logistics

We will become a more innovative, resilient and higher-value trade economy, capturing greater value from our role as the UK's gateway to Europe through smarter logistics, stronger supply chains and trade infrastructure.

Investment in major infrastructure, including the Lower Thames Crossing, will create new opportunities to access markets, expand productive activity and strengthen supply chains.

Our ports, freight corridors and logistics assets will support the movement of goods into, out of and through the UK, with opportunities to grow rail freight, strengthen multimodal connectivity and develop the trade, customs and logistics services that sit around these flows.

Resumed international rail services will unlock regional economic growth and strengthen UK-EU trade.

Growth across each of these sectors will be accelerated through creating the conditions for greater levels of interactions across businesses in these sectors, enabling new growth opportunities to be realised and developing new solutions to challenges for our place, people and businesses.

Activities from across the priority sectors, and the wider economy also connect to create wider opportunities for growth in the circular economy. The scale of construction, agricultural production and industrial activity, alongside our energy and logistics assets, provide strong foundations for a circular economy in which materials, by-products, energy and waste heat from one activity can support another.

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Agri-Food and Agri-Tech

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Agri-Food and Agri-Tech

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Agri-food and agri-tech is one our most distinctive economic strengths, combining world-class food production, nationally significant supply chains and a diversity of innovation strengths in a growing ecosystem.

The Agri-food and Agri-Tech sector in Kent and Medway sector covers four broad activities:

- **Primary production:** such as agriculture, forestry and fishing, centred around farming of crops, as well as assets in bioengineering, alternative proteins and viticulture – enabled by the quality of the agricultural land, climate and market access
- **Processing & manufacturing:** transforming raw agricultural outputs into food and drink, as well as packaging activity for onward sale or use – grown around the production strengths and the strategic location
- **Import, wholesale and value-added logistics:** importing food products from global markets and preparing them for UK consumers through specialist value-added activities such as cold storage, controlled-environment ripening, grading and finishing. Distributing food and beverage products sold as goods to households, businesses and export markets.
- **Agri-tech and food-tech:** enabling technologies that boost efficiencies in agriculture and food processing.

As a whole the sector accounts for around 65,000 jobs, 4,200 businesses and £2.4bn in GVA across Kent and Medway, equal to 2.3% of the UK sector total.

Uniquely positioned across the entire farm-to-market value chain, our area is at the forefront of next-generation food system technologies, with a growing base of businesses pioneering advances in precision breeding, AI, robotics, smart agriculture and climate resilience. This concentration of expertise, assets and innovation creates a powerful platform for developing, testing and scaling the technologies that will shape the future of food production, strengthen food security, and unlock growth across the economy.

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Agri-Food and Agri-Tech

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National Significance:

Our county is central to producing, innovating and moving food that underpins national food security. Long recognised as the Garden of England and home to 27% of the nation's vineyards, 40% of British soft and stone fruit production, and 80% of UK apple and pear tonnage, the county continues to play a central role in feeding the nation.

As global supply chains face increasing disruption from geopolitical instability, trade volatility, climate change, and events such as the COVID-19 pandemic and the war in Ukraine, Kent and Medway's contribution to food security is becoming ever more important.

Furthermore, emerging consumer trends, including the impact of GLP-1 obesity treatments on dietary habits, are reshaping demand for healthier, nutrient-dense and fortified food – particularly fruit and vegetable-based products, creating new opportunities for Kent and Medway to become a national centre for nutrition innovation and next-generation food products. With poor diet and nutrition contributing significantly to ill health and economic inactivity, advances in agri-food innovation can play an important role in improving health outcomes, extending healthy working lives and expanding labour market participation, addressing a key constraint on economic growth. Our area is well placed to help the UK respond to the intertwined challenges of food resilience, sustainability, climate adaptation, and public health.

Kent & Medway in numbers

Scale

- **40%** of the UK **high-value horticultural production**
- **80%** of British **apples** and **pears** tonnage
- **Agri-tech and food-tech** is **45% more specialised** than 5 years ago

Future Trends

- **Warmer temperatures** support growth in **ripening grapes**. Kent and Medway is home to **27%** of the UK's **vineyards**, with a **125% increase** since 2010
- Region is **1st** for hours of **sunshine**
- **2nd** for **temperature** after Essex

Enterprise

- Agri-food businesses are **50%** more likely to be **exporting** in the region
- **10 equity funding rounds per 1,000** agrifood businesses, **8** in the UK

Infrastructure

- Low **vacancy rates** for **food processing** property types at **2%**
- **18%** of occupied **industrial** space is **Grade A**, lower than regional average
- Average delays of **80 seconds per vehicle mile** on the **Dartford Crossing**

Innovation

- Kent and Medway have secured **£21.1m** in **Innovate UK** funding
- **88%** higher concentration in **precision breeding** than nationally
- **58%** higher concentration in **FoodTech** than nationally.

Human Capital

- **20%** of occupations are **high-skilled**
- **45% higher demand** for **farmers**, **33%** higher for **biological scientists**, **28% less** demand for **process operatives**
- **19** job vacancies per 100 jobs, compared to **15** in the UK

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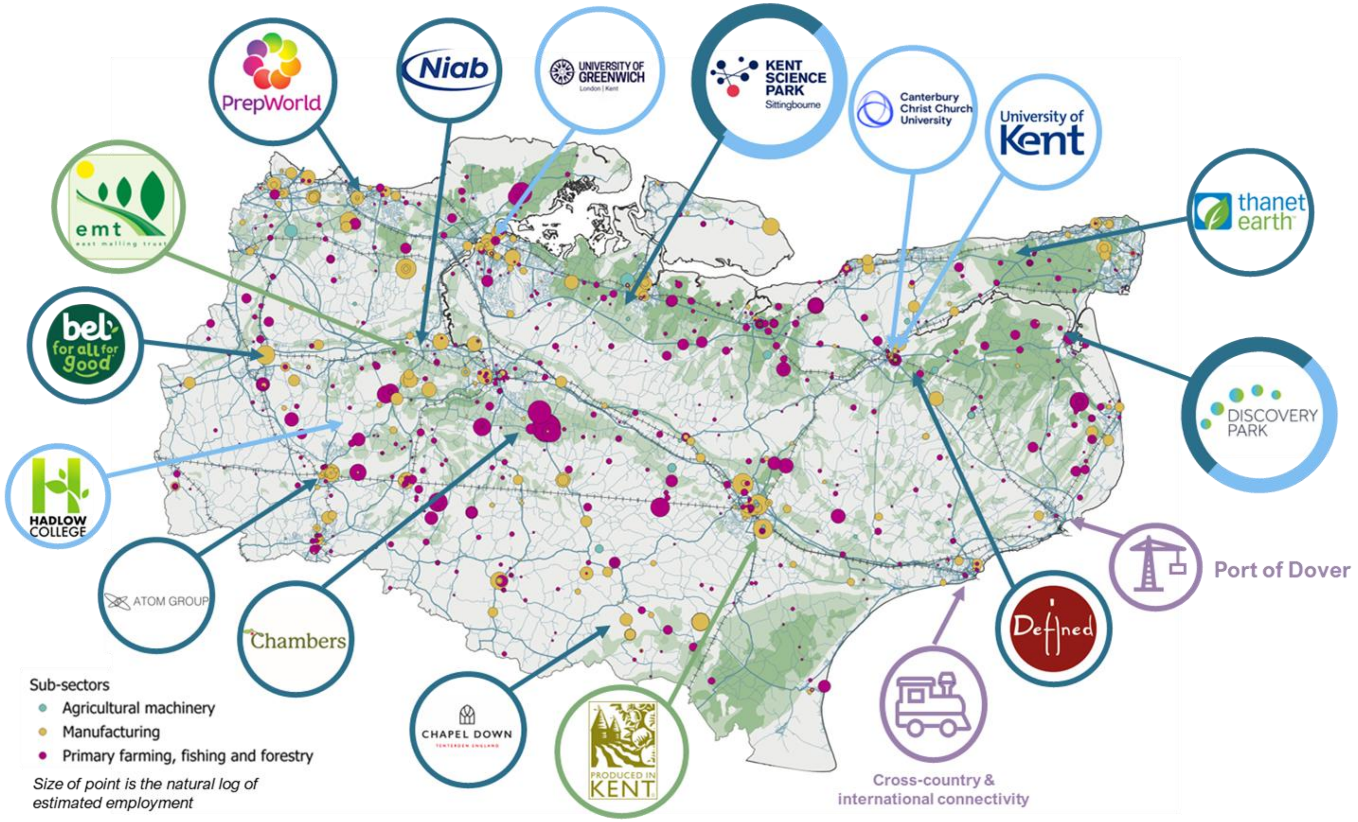

Actors & Assets		Infrastructure	Enablers
A critical mass of geographically and economically proximate firms with many specialising in emerging sectors	Key anchor, HE & FE institutions and supporting organisations & a supply of talent, skills and knowledge	Physical (transport, road networks, energy systems) and digital assets that support the flow of ideas	Investment capital to take risks and to fund research/expansion and a supportive policy environment
Networks to share information and knowledge, coordinate activities and promote a shared innovation culture and wider regional linkages.			

Source: Metro Dynamics analysis of Data City Data

Kent and Medway combines natural, commercial and innovation assets that have created one of the UK's most complete agri-food ecosystems.

We benefit from some of the UK's highest-quality agricultural land, the highest levels of sunshine in the country, and immediate access to major consumer and export markets through London, the English Channel, and the wider gateway infrastructure. These advantages have helped create a globally significant horticulture cluster centred on fruit, vegetables and viticulture, alongside food and drink manufacturing, packaging and distribution activity.

What distinguishes Kent is the breadth of activity that sits alongside its large scale production strengths. The county contains the full value chain, from research and cultivation through to processing, packaging, distribution and export. Major firms such as PrepWorld, DS Smith, and Smurfit WestRock sit alongside leading growers, vineyard operators, food manufacturers and specialist agri-tech businesses.

The sector is supported by nationally significant research and innovation assets including Niab East Malling, Discovery Park, the Medway Food Innovation Centre, the Biotechnology Hub for Sustainable Food and Drink, and the EDGE Hub, assets which have contributed to established strengths in areas including precision breeding, FoodTech, climate resilience, controlled environment agriculture and bioengineering. These are complemented by further education and skills facilities such as Yarrow's commercial kitchens, which provide a space for businesses to develop and test new food products while inspiring the next generation of talent by giving young people practical exposure to careers and innovation within the food sector.

The challenge is that these strengths do not always operate as a connected system. While we have world-class production, research capability and routes to market, there remains significant scope to strengthen the connections between businesses, innovation assets, supply chains and infrastructure, enabling more of the value created by the sector to be captured locally.

Agri-Food and Agri-Tech

A key growth opportunity is to strengthen Kent and Medway's position as a national centre for food production, precision agriculture, agri-tech and food innovation, building on existing strengths in technologies, and the advantages conferred by the presence of the existing sectors and the county's natural endowments. While Kent already plays a nationally significant role in production, there is an opportunity to capture more value locally through greater activity in food processing, packaging, manufacturing and export. This would enable the county to benefit not only from what is grown here, but from a greater share of the value created across the wider food system.

Future growth could also be driven by expanding high-growth specialisms including viticulture, controlled-environment agriculture, vertical farming and alternative proteins. Kent and Medway's combination of research capability, production expertise and natural assets also provides an opportunity to develop and test climate-resilient approaches to food production, bringing together researchers, education providers, growers and businesses. Combined with proximity to London and European markets, these strengths could position the county at the forefront of the future of food production while making a stronger contribution to food security, supply-chain resilience and wider economic growth.

What's holding growth back?

Whilst the sector has substantial strengths, several barriers continue to limit growth and value capture:

- Fragmentation across growers, producers, public bodies, educators, investors and support organisations makes collaboration more difficult and limits the sector's collective voice.
- Access to specialist infrastructure, including processing facilities, storage, glasshouses, energy and water infrastructure, remains a constraint on expansion and diversification.
- SMEs can struggle to access finance, procurement opportunities and investment needed to scale and commercialise innovation, challenges made particularly acute by low profit margins characteristic of the sector.
- There remains a gap between research and widespread business adoption of new technologies and production methods.
- Skills shortages exist across technical, engineering, digital and management occupations, while perceptions of the sector do not always reflect the increasingly technology-driven nature of modern food production.
- While Kent and Medway produces a wide range of high-quality food and horticultural products, businesses can face barriers accessing local procurement opportunities and reaching new customers. As a result, opportunities to strengthen local supply chains and retain more value within the local economy are sometimes missed.

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HORTICULTURE SCIENCE + INNOVATION BUILDING

Project details:
A horticulture science and innovation building at Niab East Malling will deliver an additional 1,000 sqm of specialist laboratory and innovation space within a nationally significant innovation ecosystem. Planning consent is currently being pursued, and delivery is anticipated from early 2027.

Alignment to principles of LGP:
The facility has strong alignment with the LGP's focus on innovation-led growth and supports Kent and Medway's growing health and horticulture strengths. The facility will also reinforce Niab East Malling's role as a nationally significant innovation cluster.

The ask:
Delivery of the facility requires £4.5m funding contribution, matched by £4.5m from East Malling Trust.

The impact/benefits:
The facility will provide additional specialist innovation space, expanded research and commercialisation capacity, and support for growth in knowledge-intensive sectors.

Agri-Food and Agri-Tech:

Our actions to support growth

Kent and Medway's agri-food and agri-tech sector benefits from world-class production, nationally significant research assets and strong routes to market. However, innovation, investment and business support activity often remains fragmented across a large and diverse ecosystem. Unlocking growth will require stronger collaboration across businesses, researchers, public bodies and investors to capture more value from the county's production strengths, accelerate innovation and strengthen Kent and Medway's role in the future of food production.

To do this, key priorities include:

A1: Create a shared innovation and commercialisation hub. The sector is characterised by a large number of businesses, organisations and support mechanisms, but information is often fragmented and difficult to navigate. This can make it harder for businesses to identify opportunities, understand value chains, access funding and collaborate effectively.

- We will **explore the development of a shared innovation and commercialisation hub, acting as a front door to existing expertise, facilities, funding opportunities and business support across the ecosystem. The hub would strengthen access to sector intelligence, support innovation and commercialisation, improve understanding of local value chains, and help businesses navigate an increasingly complex landscape of funding, finance and support.**

A2: Develop the specialist workspace and infrastructure the sector needs. Future growth will depend on access to the right mix of workspace and specialist infrastructure. This includes facilities for processing, packaging, manufacturing, storage, research and development, commercialisation, controlled environment agriculture and agri-tech businesses. There is currently limited visibility of whether the existing offer aligns with the future needs of the sector.

- We will **map existing provision and capabilities, identify gaps and opportunities, and develop a more proactive approach to promoting existing assets and ensuring the right types of space are available to support new and scaling businesses across the sector.**

A3: Champion a planning system that supports food production, rural growth and resilience. Planning policy and regulatory processes are frequently identified as barriers to investment, innovation and diversification within the rural economy, and to the delivery of strategic infrastructure, such as reservoirs and water storage, that will be increasingly important to the future resilience and productivity of the sector. This can limit the ability of businesses to respond to new market opportunities, invest in modern facilities and adopt new business models.

- We will **work with businesses, local authorities and sector stakeholders to identify priority barriers and develop a shared advocacy programme that supports food production, sustainability, farm diversification and investment in the infrastructure required for the future of the sector.**

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Agri-Food and Agri-Tech:

Our actions to support growth

A4: Strengthen local procurement and value chains. Public sector food procurement represents a significant opportunity to support local businesses, strengthen supply chains and increase the amount of economic value retained within Kent and Medway. Whilst the county benefits from a nationally significant food production base, there remains scope to improve connections between producers, processors, distributors and institutional buyers, creating stronger routes to market and more resilient local supply chains.

- **We will build on planned procurement pilot activity to test practical approaches that connect local producers and institutional buyers, identify barriers to participation, and generate evidence on how public sector procurement can better support local business growth, supply-chain resilience and wider economic, health and sustainability outcomes.**

A5: Build a multidimensional health and horticulture specialism. Kent and Medway is uniquely placed to explore the links between food production, nutrition, health and economic activity and growth. The region combines nationally significant horticultural production, leading research assets, innovation expertise and health institutions, creating opportunities to develop new products, services and business models that respond to changing consumer demand and public health priorities. Kent and Medway has a growing ecosystem of businesses, researchers, public bodies and health partners that can help shape the future of the food system, with opportunities spanning nutrition, preventative health, plant-based foods, food innovation and sustainable production.

- **We will build on existing partnerships and emerging activity to develop a coordinated programme of work around health and horticulture, identifying opportunities for innovation, investment and partnership development that strengthen both health outcomes and economic growth.**

Agri-Food and Agri-Tech – Case Studies

Case Study: The Yarrow Innovation Kitchen

The Yarrow Innovation Kitchen provides specialist facilities and expertise to help food and drink businesses develop, test and commercialise new products. Located at EKC Broadstairs College and developed by East Kent Colleges Group in partnership with Produced in Kent, the £250,000 facility gives businesses access to professional-grade equipment and support that can often be difficult or costly to access independently.

The facility supports businesses at different stages of growth, from recipe development and product testing through to scaling production and exploring commercial viability. Alongside specialist kitchen facilities, businesses can access support on areas including product costings, food safety, labelling and production processes.

By bringing together education, enterprise support and specialist infrastructure, the Innovation Kitchen provides a practical route from innovation to commercialisation. It also demonstrates the importance of shared facilities and support mechanisms in helping businesses overcome barriers to product development, access new markets and strengthen their position within local and national food supply chains.

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Case Study: National Institute for Agricultural Botany (Niab) & East Malling Trust

East Malling has been at the forefront of horticultural research and crop innovation for more than a century. Opened in 1913, the site, owned by East Malling Trust and presently operated by Niab, is one of the UK's principal centres for fruit and horticultural science, bringing together scientific expertise with its extensive research estate.

The site combines more than 200 hectares of research and commercial land with specialist infrastructure including laboratories and field-trial facilities. Distinctive capabilities allow researchers to investigate horticultural innovation from the laboratory through to real-world growing conditions, including the East Malling Rhizolab, a unique underground research facility which enables scientists to observe and sample crop roots under real growing conditions and the £11.3 million GreenTech Hub for Advanced Horticulture opened in 2022. The Hub provides 2,000 m² of specialist glasshouses, 14 polytunnels, controlled growth rooms and cold-storage facilities, supporting research in areas including plant genetics, fruit breeding, crop management and pest and disease control.

Niab works closely with regional universities, local growers, researchers and the horticultural industry partners, to develop, test and bring new crop varieties, technologies and production methods into commercial use. It has played a central role in strengthening the wider innovation network across Kent and Medway, leading the £42.1 million Growing Kent & Medway innovation cluster, which brought together the Universities of Kent, Greenwich and Canterbury Christ Church to provide horticultural and plant-based food businesses with technical research and innovation support. It created 262 partnerships between industry and academia, invested over £8.6 million in cutting-edge facilities and academic expertise, and provided more than £3 million in grants for innovation and R&D. With the initial UKRI Strength in Places Fund programme now complete, a new entity will build on this legacy and provide a foundation for further investment and business-led innovation in one of Kent and Medway's most distinctive sectors.

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Digital and Technologies

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Digital and Technologies

Digital and technologies is one of Kent and Medway's most productive and fastest-growing sectors. As a broad sector it is characterised by a distinctive combination of three key sub-sectors:

- **Digital manufacturing**: Manufacture of electronic components, instruments and digital hardware, supporting sectors ranging from advanced manufacturing to defence.
- **Digital creative**: The reproduction and creation of digital media, including digital content and video game production and creative services that rely on digital tools.
- **IT and technology services**: Technical services and digital infrastructure that underpin and support the operation of digital systems, including software development, data processing and hosting, and telecommunications services. It includes businesses developing and applying technologies across cybersecurity, communications, cloud services, electronics, creative production and data-driven services.

Together these activities generate £2.1bn in GVA and support more than 25,000 jobs, 77% of which are in high-skilled occupations.

What makes the sector distinctive in Kent and Medway, particularly compared to other parts of the South East is the combination of capabilities it brings together.

Kent and Medway has strengths in advanced electronics manufacturing, specialist digital services and creative technologies, creating a broad digital ecosystem capable of supporting innovation across the wider economy.

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Digital and Technologies

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National Significance:

Digital technologies increasingly underpin productivity, innovation and competitiveness across the UK economy. Kent and Medway's digital sector can enable transformation across nationally important industries including food production, logistics, energy, manufacturing, health and the creative industries.

The county hosts three government-recognised innovation clusters, around 40 creative and digital micro-clusters, and concentrations of activity in electronics manufacturing, cloud computing and cyber-related activities. This creates a distinctive environment where technology can be developed, tested and applied within real-world operational settings.

Kent and Medway's role as a gateway location also creates opportunities that many technology clusters cannot offer. The presence of major logistics assets, energy infrastructure, research organisations and large operational businesses provides opportunities to trial and deploy digital solutions at scale. As sectors such as logistics, energy and agri-food become increasingly data-driven, the demand for digital capabilities will continue to grow.

Kent & Medway in numbers

Scale

- **Digital manufacturing** is **22%** more concentrated locally than nationally
- Roughly **40 micro clusters** of creative industries activity span the county
- **10** of the 13 **local authorities** are experiencing overall **growth** in the sector

Future Trends

- **Digitalisation** is a cross-cutting skills priority across **all LSIP priority sectors**
- Growing demands and requirements for digital capabilities across other focus sectors, and large local employers

Enterprise

- **44%** of businesses established in the last five years
- **62%** of businesses at **seed/venture stage**, and just **15% established**
- Average and medium deal size **25%** smaller than national sectoral average

Infrastructure

- **0%** of occupied office space and **13%** of industrial space is **Grade A,** significantly lower than regional average of 30% and 47% respectively
- Only **79.8%** of premises have gigabit availability

Innovation

- **53%** higher concentration in Electronics manufacturing than nationally
- Many businesses engaging in **emerging economy activity**, with a strengths in **cloud computing** and **cyber** activity

Human Capital

- **77%** of occupations are **high skilled,**
- **29 job vacancies** per 100 jobs, compared to **25** in the UK
- Computer system**,** and telecoms equipment installers and servicers highly concentrated locally

Digital and Technologies

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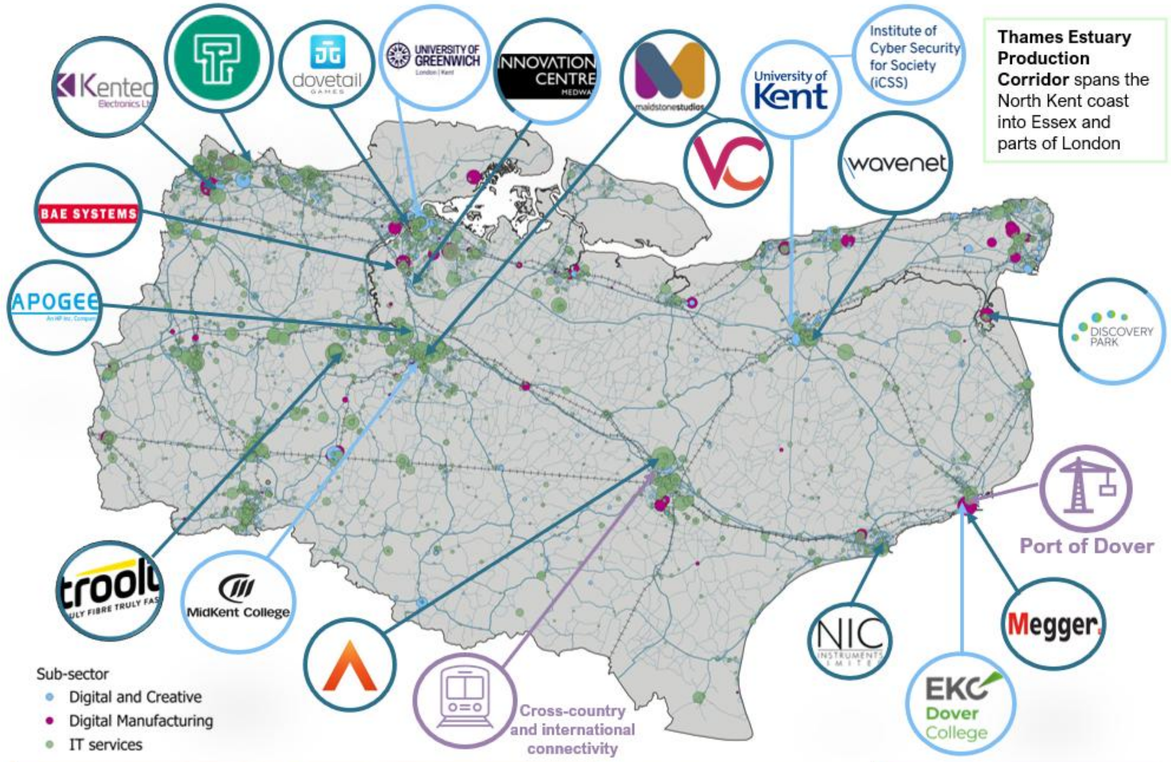

Actors & Assets		Infrastructure	Enablers
A dispersed mass of SMEs and major digital and technology employers anchoring activity across the value chain within Kent and Medway.	Key anchor FE & HE institutions, and supporting innovation assets, underpin a supply of talent, skills and knowledge.	Strategic gateway and rail infrastructure linking digital and technology activity to the rest of the UK and enabling export-facing growth.	Networks, collaboration and knowledge exchange that connect dispersed micro-clusters and support business formation and growth.
Digital and technology ecosystem organised around multiple, locally embedded micro-clusters, supporting the complete value chain.			

Kent and Medway has developed a diverse digital ecosystem built around businesses, research assets, educational institutions and a growing network of creative and technology clusters.

The sector combines a significant base of digital services and creative businesses with nationally distinctive strengths in electronics and digital manufacturing. Local businesses operate across cybersecurity, cloud computing, telecommunications, software development, creative media and advanced electronics, creating a broad and increasingly interconnected business base.

The ecosystem is supported by a range of innovation and skills assets including the Institute for Cyber Security for Society (iCSS), the Engineering, Design, Growth & Enterprise (EDGE) Hub, Innovation Centre Medway, the Bench, the Discovery Park and the forthcoming Docking Station. These assets provide research capability, commercialisation support, production workspace, and routes into skilled employment. The wider ecoyststem is also supported by specialist organisations such as the Kent and Medway Cyber Cluster, the recognised cyber-security cluster, which contributes to the development of cyber skills across sectors, innovation and capability development.

What is particularly distinctive is the relationship between the digital sector and the wider economy. Kent and Medway's major strengths in agri-food, energy, logistics, ports and manufacturing create significant local demand for digital technologies and services. This provides opportunities for businesses to develop, test and commercialise products and services in live operational environments rather than in isolation.

The challenge is ensuring that the sector's strengths are sufficiently connected, visible and supported to translate into larger businesses, greater levels of innovation and stronger spillovers across the wider economy.

Digital and Technologies

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A key opportunity is to establish Kent and Medway as a leading location for applied digital innovation, building on existing strengths in digital manufacturing, cybersecurity, digital creative technologies, cloud computing and specialist digital services. Unlike many established technology clusters, our local advantage does not lie in competing directly with places such as London or Cambridge. Its opportunity lies in applying digital innovation to solve real-world challenges in nationally important sectors including food production, logistics, energy and manufacturing. By connecting technology businesses more closely with major industrial users, Kent and Medway can create a distinctive proposition centred on practical innovation, adoption and commercialisation.

Future growth will depend on helping businesses scale, increasing the flow of investment into the sector and strengthening collaboration between businesses, universities and innovation assets. Alongside this, accelerating digital adoption across the wider economy would create new demand for local digital products and services whilst increasing productivity in other sectors. Artificial intelligence will create opportunities for productivity, new products and business growth, while also disrupting established roles, skills requirements and ways of working, particularly across the digital and creative economy. Supporting businesses to adopt AI effectively and responsibly will be important, alongside helping workers and smaller firms develop the technical, commercial and creative capabilities needed to adapt. This will help ensure that AI complements human expertise and supports higher-value activity, rather than weakening the distinctive creative strengths of the sector.

Growth in digital and technology-intensive activities will increase demand for electricity infrastructure. Opportunities associated with AI, data-intensive businesses and developments such as the proposition for an AI Growth Zone and data centre at MedwayOne highlight the importance of ensuring that energy capacity keeps pace with economic growth. The realisation of these opportunities could further strengthen Kent and Medway's position in digital and technology related activities, subject to future investment and power availability. Without sufficient network capacity, opportunities for investment, business expansion and associated employment growth may be constrained.

The ambition should be for Kent and Medway to be recognised not only as a place with a growing technology sector, but as a place where digital innovation is applied at scale to transform major industries, improve productivity and create higher-value economic activity.

What's holding growth back?

Whilst the digital and technologies sector has clear strengths, several barriers continue to constrain growth:

- Businesses and clusters are often dispersed across the county, making collaboration and visibility more difficult and contributing to a fragmented ecosystem.
- The county lacks a sufficiently clear and compelling collective proposition for investors, government and businesses, despite the presence of significant assets and activity.
- Access to scale-up finance, investment and specialist growth support remains challenging for many SMEs.
- Digital connectivity is uneven across parts of the county, particularly in rural areas and there are challenges for employment premises, only 52% of which had gigabit capable connectivity in 2025, while the availability of high-quality workspace remains limited in some locations.
- Businesses struggle to access digital, AI, technical and commercial skills, while education and training provision does not always keep pace with changing technologies.
- Although strong research and innovation activity exists, there remains an opportunity to strengthen links between universities, innovation assets and businesses so that ideas are translated more consistently into commercial growth.

Digital and Technologies – Investable Opportunity

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TECH@MEDWAY

Project details:
A phased programme to create 3,642 sqm of teaching, training and research space at the London and South East (LASE) University Group Medway Campus, supporting around 1,000 learners across health, engineering, computing and natural resources..

Alignment to principles of LGP:
The facility will directly contribute to digital manufacturing and bio-medical sectors, with potential links to agritech through the neighbouring Medway Food Innovation Centre.

The ask:
A £15 million funding contribution, alongside £15 million committed by the University.

The impact/benefits:
The expanded technical education and simulated clinical training, supporting growth in Medway learner numbers from 1,660 to 1,850 and responding to employer and NHS workforce needs.

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Digital and Technologies:

Our actions to support growth

The digital and technologies sector is one of the county's most productive areas of activity, with strengths spanning manufacturing, services, creative industries and emerging technologies. Unlocking growth from the sector will require purposeful cultivation of stronger connections within the sector and from the sector to the needs and opportunities in the wider economy. To do this key priorities include:

A6: Create a central hub for digital and creative businesses. The digital and creative sector is characterised by a diverse mix of businesses, networks, support organisations and innovation assets, but businesses can find it difficult to navigate available opportunities and identify potential collaborators. At the same time, businesses in other sectors may be unaware of the digital capabilities that exist locally.

- We will **explore the development of a central hub that acts as a focal point for the sector, improving signposting, supporting collaboration and connecting businesses with opportunities, expertise and partners across Kent and Medway's digital ecosystem.**

A7: Develop a stronger shared identity for Kent and Medway's digital and technologies sector. Kent and Medway has significant strengths in digital technologies, creative industries and innovation, but these are not always visible externally or recognised as part of a coherent proposition. A stronger shared identity could help attract investment, talent and new business opportunities while strengthening the profile of existing strengths.

- We will **work with businesses, universities, innovation assets and public partners to develop a clearer proposition for the sector and promote Kent and Medway as a leading location for digital innovation and creative enterprise.**

A8: Ensure growing digital businesses can access the right space. The future growth of the sector will depend on access to the right mix of flexible, scalable and innovation-focused workspace. There is currently limited understanding of whether existing provision meets the needs of growing businesses, particularly those looking to scale beyond start-up stages.

- We will **review existing workspace provision, identify current and future gaps, and develop a proactive approach to ensuring that businesses have access to the facilities and environments they need to grow and commercialise innovation.**

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Digital and Technologies:

Our actions to support growth

A9: Strengthen connections across Kent and Medway's digital ecosystem. Kent and Medway already benefits from a network of digital and creative clusters, but these can operate in isolation from one another and from related strengths across the wider economy. There is an opportunity to create stronger connections between businesses, researchers and innovators working in complementary areas.

- **We will build on existing cluster activity to strengthen connections between digital and creative micro-clusters, support collaboration across the wider technology sector and create stronger links with businesses operating in other priority sectors.**

A10: Use local challenges to drive digital innovation. One of Kent and Medway's key advantages is the opportunity to develop and deploy technology solutions in nationally significant sectors including ports and logistics, agri-food, energy and manufacturing. Challenges such as border innovation, next-generation food production, energy transition and place promotion create opportunities for local businesses to develop new products and services while helping address local needs.

- **We will work with businesses and partners across priority sectors to identify shared challenges that can be addressed through technology, creating opportunities for innovation, commercialisation and business growth within the digital sector.**

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Case Study: BAE Systems

BAE Systems' Rochester site demonstrates Kent and Medway's role in developing and manufacturing advanced digital technologies that support both the UK economy and national security.

Home to BAE Systems' UK Electronic Systems business, the site employs around 1,600 people specialising in advanced aerospace and defence technologies, including head-up displays, helmet-mounted displays, flight control computers and active control sticks used in civil and military aircraft worldwide. The site also provides global support and repair services for commercial aviation systems.

In 2025, BAE Systems announced a major investment to transform its Rochester facility, creating a new 32,000 sq m state-of-the-art manufacturing, engineering and office complex. The investment is expected to increase capacity, improve sustainability and create a further 300 highly skilled jobs by 2030.

The investment reflects the strategic importance of Kent and Medway's digital manufacturing sector, which combines advanced engineering, electronics and software expertise to develop technologies used across global aerospace, defence and commercial markets.

Building on more than a century of aviation technology development in Rochester, the site highlights how the region continues to attract investment in high-value industries and supports the UK's ambitions in advanced manufacturing, digital technologies and national security.

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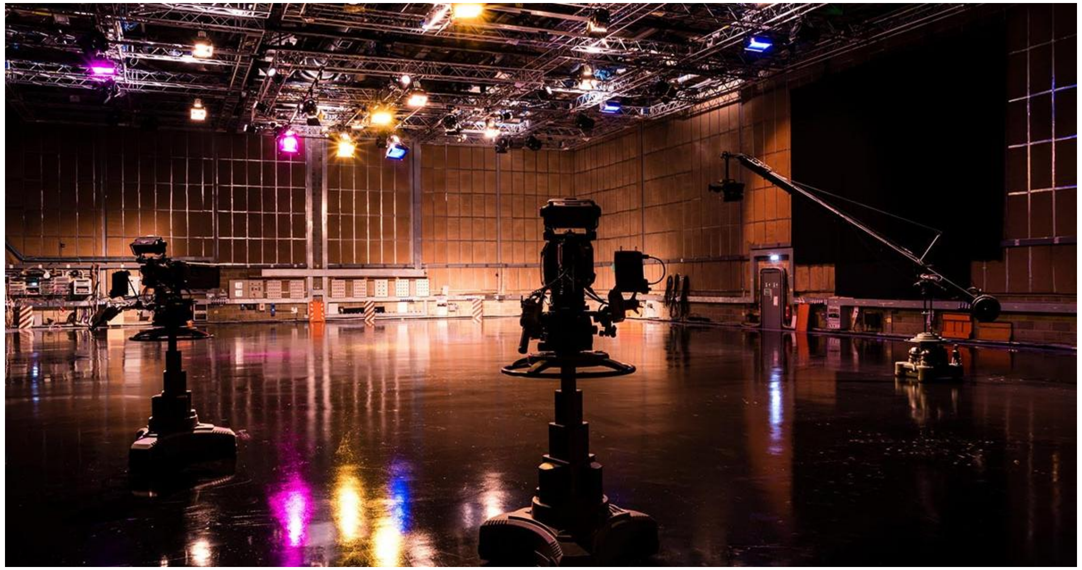

Case Study: Maidstone Studios

Maidstone Studios is a nationally significant centre of production that supports major national programmes and Academy Award-winning productions.

Maidstone Studios is one of the UK's largest independent regional television and film facilities. Operating for more than 40 years and located within easy access of London, it is an established centre of the South East's screen industries, with a production history spanning entertainment, drama, children's television, live broadcasting and film.

The site homes two main studios of 12,000 and 6,000 sq ft, an extensive backlot and more than 35 production and support spaces, accommodating large sets, live audiences and complex productions. Its credits include nationally recognisable programmes such as Catchphrase and Deal or No Deal, alongside Wes Anderson's Academy Award-winning The Wonderful Story of Henry Sugar.

Case Study: Create South East

Between 2022 and 2026, Kent County Council led a partnership across Kent, Essex and Sussex to support creative businesses to become investment-ready and develop the capabilities needed to scale. Participating businesses spanned a wide range of activities, including film, publishing, fashion, architecture, games and immersive technologies.

Enabled by funding from the Department for Culture, Media and Sport, the programme provided up to nine months of intensive, tailored support. This included one-to-one mentoring, specialist workshops and peer-to-peer learning, helping businesses strengthen their business plans and investment propositions, develop the skills needed to secure investment and access potential sources of finance. The programme also worked with more than 50 equity investors, in partnership with organisations including the UK Business Angels Association and British Business Bank, to improve access to growth finance for creative businesses.

Before the programme concluded in March 2026, Create South East had directly supported 156 companies and engaged with more than 800 organisations across the region. One success story was Margate-based A+C Studios, which expanded and opened a large-scale animation studio in Cliftonville in 2026. Its legacy and the connections established through the programme are continuing through the South East Creative Economy Network (SECEN). The programme demonstrated the demand for specialist, sector-focused support and the value of connecting a dispersed creative business base with expertise, peer networks and potential investors.

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Energy

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Energy

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Energy is one of Kent and Medway's most strategically important sectors. Small in employment terms, it plays a critical enabling role across the wider economy, underpinning industrial activity, trade, digital infrastructure, manufacturing and future growth. The sector spans the generation, import, distribution and management of energy, alongside the infrastructure, technologies and specialist businesses that support the UK's energy system.

It accounts for around 2,800 jobs and around 80 businesses but generates almost £200,000 GVA per job, making it one of the highest-value sectors in the local economy.

What makes the sector distinctive is the scale and significance of the assets located in Kent and Medway.

The county sits at the heart of the UK's energy system, hosting nationally significant gas import infrastructure, electricity interconnectors, ongoing nuclear decommissioning, generation assets and a growing pipeline of clean energy investment. These assets mean that Kent and Medway's role extends far beyond the local economy, contributing directly to national energy security, resilience and decarbonisation.

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Energy

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National Significance:

Kent and Medway is one of the UK's most important energy gateways. The county hosts major international electricity interconnectors linking Britain to European markets and Grain LNG, one of Europe's largest liquefied natural gas terminals with the capacity to import and regasify 33% of UK annual gas demand. Together these assets play a critical role in the security, resilience and flexibility of the UK's energy system.

The county's role is becoming increasingly important as the UK transitions towards a lower-carbon and more electrified economy. Existing and emerging assets support offshore wind, solar generation, electricity interconnection, energy storage and future technologies such as hydrogen. Future investment in energy infrastructure in Kent and Medway will therefore influence not only local growth, but the ability of the wider UK economy to meet its energy security and net zero ambitions.

Unlike many places, Kent's significance comes not from a single asset but from the combination of import infrastructure, generation, transmission, storage and international connectivity that already exists. This creates a uniquely diverse energy ecosystem with national importance.

Scale

- The sector has an average productivity of nearly **£200,000 GVA per job.**
- Strong in the **production of electricity**, which has a **57% higher concentration.**
- Growing number of **businesses** at **4.2% CAGR**

Future Trends

- Hydrogen technology has started development in 2025.
- Offshore wind expansion creates a 40GW of wind energy target.

Enterprise

- Just **70%** of businesses are classed as **'micro'**, which is less than comparators.
- **16 rounds** of equity funding per 1000 businesses, higher than the **11** average, but **median value** is almost **half** the national.

Infrastructure

- **34%** of space occupied by energy businesses are classed as **Grade A**, nearly double the regional average.
- Key projects include **Nemo Link Interconnector, Richborough energy park** and multiple **wind** and **solar** farms.

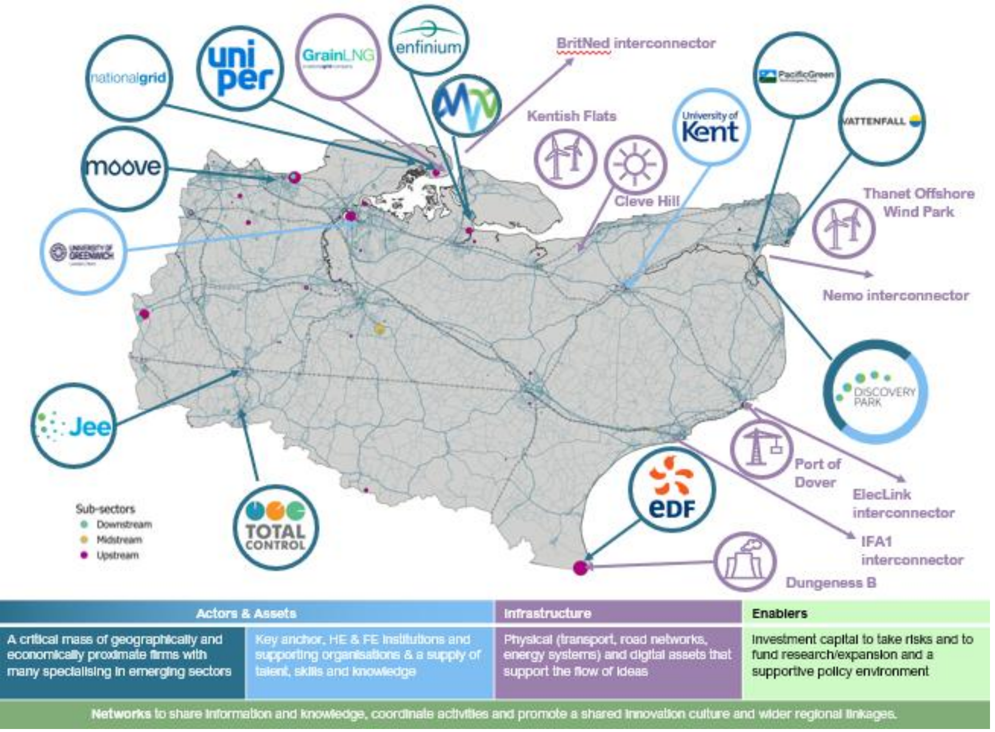
Innovation

- **1.61%** of businesses report spending on **R&D**, compared to **0.35%** on average. **1.15%** have received **an R&D grant**, compared to **0.61%** on average.
- A high share of innovate UK projects in Kent and Medway relate to energy.

Human Capital

- **58%** of workers are **high-skilled**, more than the national average for energy.
- Jobs demand is high, with energy **job adverts** accounting for **35% of all jobs.**
- High concentration of **production managers** and **electrical engineers.**

Energy



Kent and Medway is home to a significant concentration of national energy infrastructure. The county is home to Grain LNG, major electricity interconnectors including BritNed, Nemo Link, ElecLink and IFA1, nuclear assets at Dungeness B, significant offshore wind and solar assets, Richborough Energy Park, Wallend Substation and a range of power generation and energy distribution infrastructure. Together these assets create a nationally significant energy cluster spanning import, generation, storage and transmission activities.

Alongside the infrastructure itself, Kent and Medway has developed a growing ecosystem of businesses, skills and innovation activity linked to energy. Businesses are increasingly engaged in renewable energy, storage technologies, engineering, low-carbon solutions and emerging clean energy technologies. The scale of existing assets and planned future investment creates opportunities for supply-chain development, innovation and collaboration across sectors. The wider ecosystem also includes energy-from-waste, renewable generation and emerging green-hydrogen activity, particularly around established industrial locations such as the Kemsley Cluster, the largest industrial cluster in Kent and Sussex, bringing together major businesses in energy generation, manufacturing, recycling, waste management and logistics, and Discovery Park.

Kent is also home to emerging energy innovation initiatives, including the HS1 renewable energy project, which has explored the use of the high-speed rail corridor to facilitate renewable electricity transmission. The project demonstrates our region's technical expertise in addressing energy capacity challenges and highlights opportunities to develop and export innovative low-carbon energy solutions.

The county benefits from natural advantages that support future energy development. Some of the highest solar irradiance levels in the UK, extensive coastal infrastructure, major industrial sites and strategic transport assets together create opportunities for offshore wind, solar generation on brownfield and rooftops, battery storage, hydrogen and industrial decarbonisation.

What is distinctive is the combination of assets rather than any individual project. Kent and Medway already hosts infrastructure critical to national energy security, while also possessing the physical space, industrial base and international connections needed to support the next generation of energy investment.

Energy

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Kent and Medway's growth opportunity lies in moving beyond its role as a host of nationally significant energy infrastructure and capturing greater economic value from the transition to a secure, lower-carbon and more electrified energy system.

The county is uniquely positioned to capture growth from offshore wind, solar generation, interconnection, energy storage and emerging technologies including hydrogen and industrial decarbonisation. Building on our strategic location and existing infrastructure, Kent and Medway can become a place where new energy technologies are deployed, tested and commercialised at scale.

There is an opportunity to use energy assets to unlock wider economic growth. Increased energy capacity, improved network resilience and greater local generation could support growth in manufacturing, logistics, digital technologies, controlled environment agriculture and other energy-intensive sectors. Energy can therefore act as both a growth sector in its own right and an enabler of transformation across the wider economy.

Future growth could also be driven by strengthening the local supply chain around major projects, supporting innovation in emerging technologies and creating stronger links between energy assets, businesses and research organisations. Combined, these opportunities would allow Kent and Medway to capture more of the value generated by the transition to a cleaner, more resilient and more secure energy system.

What’s holding growth back?

Whilst Kent and Medway possesses nationally significant energy assets, several barriers limit its ability to maximise the economic value created by them.

- Grid capacity and wider network constraints are increasingly limiting development and future energy-intensive investment.
- Large energy assets do not always generate the level of local supply-chain activity, innovation spillovers or business growth that their scale would suggest.
- SMEs often struggle to access opportunities within large energy projects and supply chains.
- Skills shortages exist across engineering, electrical, installation and specialist technical occupations, with competition from large national infrastructure projects further intensifying demand.
- The energy ecosystem remains fragmented, with opportunities to strengthen collaboration between asset owners, businesses, universities, colleges and public partners.
- Emerging opportunities around hydrogen, carbon capture, storage and industrial symbiosis are yet to be fully realised and require coordination, infrastructure and investment.

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KEMSLEY CLUSTER

Project details:

The Kemsley Industrial Cluster is the largest industrial cluster in Kent and Sussex, bringing together major businesses in energy generation, manufacturing, recycling, waste management and logistics. Through Innovate UK's Local Industrial Decarbonisation Plan initiative, partners have developed proposals combining carbon capture, green hydrogen, and greater energy and steam integration to reduce emissions while maintaining industrial competitiveness. Further investment would enable these proposals to progress towards delivery and support Kemsley's transition into a low-carbon industrial hub.

Alignment to principles of LGP:

Significant direct impact on energy sector growth and represents a scalable model that could be applied elsewhere.

The ask:

An initial £5 million of government funding to move the cluster's proposals from feasibility and modelling into Pre-FEED and FEED. This would fund the technical, engineering, environmental, regulatory and financial work needed to refine the proposed technologies, identify shared infrastructure requirements and develop the business case required to reach Final Investment Decision and unlock approximately £550 million of capital investment. A further £10 million of public funding is anticipated at a later stage to support implementation.

The impact/benefits:

Transform Kemsley from a carbon-emitting cluster into a net carbon remover, with the potential to remove more than 500,000 tonnes of CO_2 annually. Investment could also retain around 1,100 existing jobs, create approximately 400–600 additional jobs, improve energy resilience and establish a model for industrial symbiosis that could be replicated elsewhere in the UK.

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Energy

Our actions to support growth

Kent and Medway's energy assets already play a nationally significant role in energy security, generation and international connectivity. Unlocking growth will require stronger coordination around future energy demand, infrastructure investment, innovation and supply-chain development so that more of the value associated with the energy transition is captured locally.

To do this key priorities include:

A11: Use the energy transition as a platform for innovation. The transition to a lower-carbon economy will create significant new energy demands across Kent and Medway, from the electrification of Dover and freight transport through to controlled environment agriculture, food production and industrial decarbonisation. Rather than viewing these challenges solely as infrastructure requirements, they represent opportunities to drive innovation, attract investment and support the development of new technologies and supply chains.

- We will **seek opportunities to work with major energy users, infrastructure providers and innovators to identify future demand hotspots and develop projects that position Kent and Medway as a testbed for next-generation energy solutions.**

A12: Strengthen the Grain energy cluster. Grain is already home to nationally significant energy infrastructure and is well positioned to support future investment in energy generation, storage, distribution and industrial decarbonisation. The concentration of existing assets creates opportunities to attract complementary activities and derive greater economic value from large-scale infrastructure investments.

- We will **work with asset owners, businesses, infrastructure providers and government to explore opportunities to strengthen the Grain and Isle of Grain energy cluster, including initiatives such as the Medway Carbon Capture Cluster and other activities that can support business growth, innovation and supply chain development.**

A13: Explore opportunities in hydrogen and energy storage. Hydrogen and energy storage technologies have the potential to play an important role in the future energy system while creating new opportunities for innovation, industrial activity and investment. Kent and Medway's strategic location, industrial assets and energy infrastructure provide a strong platform from which to explore these opportunities.

- We will **work with businesses, research partners and infrastructure providers to identify commercially viable opportunities for hydrogen production, storage and deployment, alongside wider energy storage technologies that support energy security and economic growth.**

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Energy

Our actions to support growth

A14: Develop opportunities for industrial symbiosis and resource sharing. The concentration of energy, industrial and logistics assets across Kent and Medway creates opportunities for businesses to share infrastructure, energy, resources and by-products in ways that improve productivity and reduce costs. Greater collaboration between businesses could help unlock new forms of economic activity whilst supporting decarbonisation objectives.

- We will **work with businesses and infrastructure providers to identify opportunities for industrial symbiosis, resource sharing and collaborative innovation, building on existing proposals and emerging initiatives across the county.**

A15: Maximise local economic benefits from major energy investments. Major energy projects create significant opportunities for local businesses and residents, but these benefits are not always fully captured within the local economy. There is an opportunity to strengthen local supply chains, improve access to contracts and create clearer routes into employment within the sector.

- We will **work with businesses, education providers and project sponsors to identify future skills requirements, strengthen local supply chain participation and develop pathways that connect local people and businesses to opportunities arising from major energy investments.**

Energy – Cast Studies

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Case Study: Grain LNG

Europe's largest liquified natural gas terminal is located on the Isle of Grain in Medway, and provides an important connection between international energy markets and the UK's gas network, making it a nationally significant asset for energy security and resilience.

Liquefied natural gas is transported by ship after being cooled into liquid form. At Grain, it is unloaded, stored and converted back into gas before entering the national transmission network. The terminal has 1.2 million cubic metres of tank storage capacity and sufficient delivery capacity to meet up to one-third of UK gas demand.

The terminal extends across more than 600 acres and incorporates two cryogenic unloading lines and two jetties capable of receiving the world's largest LNG carriers. Around £1.1 billion has been invested in the site, including successive phases of expansion that have increased its storage and regasification capacity. Its large storage tanks provide flexibility to store LNG and adjust the delivery of gas in response to changing market conditions.

£1.1bn	33%	1.2M
invested so far	of the UK's capacity can be delivered	cubic metres of tank storage

Ports, Transport and Logistics

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Ports, Transport and Logistics

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Ports, transport and logistics is one of Kent and Medway's most strategically important sectors, bringing together the infrastructure, businesses and services responsible for moving goods, people and information into, out of and across the UK.

The sector spans ports, freight, warehousing, logistics operations, customs and border activity, rail freight and passenger services, maritime services, and the wider transport networks that support trade and economic activity, alongside emerging opportunities for commercial aviation, flight testing and drone innovation. It accounts for around 32,000 jobs, 1,640 businesses and £1.5bn in GVA across Kent and Medway.

Kent and Medway's gateway geography makes this activity fundamental to both the local and national economy. The county sits at the UK's closest point to mainland Europe – a mere 20 miles away - and hosts the country's most concentrated collection of international trade gateways, including the Port of Dover, the Channel Tunnel, Peel Ports, ThamesPort, and a wider network of maritime assets stretching around the coast and into the Thames Estuary.

The county is home to High Speed 1, the UK's only high-speed rail line, and to international stations at Ashford and Ebbsfleet that are ready to support the future return of international passenger services, creating a unique opportunity to strengthen business connectivity with European markets and inward investment. As a result, the sector is not simply an economic strength in its own right, but an enabling capability that supports growth across almost every other sector of the economy.

Logistics activity has grown significantly, with new facilities opening along key transport gateways, and established and emerging logistics locations around Dartford, Sittingbourne and the Lower Thames Crossing corridor provide further scope for investment, subject to infrastructure, land-use and local-benefit considerations.

What makes the sector distinctive is not just the volume of activity that passes through Kent and Medway, but its role within national supply chains. The county combines internationally significant port infrastructure, strategic road and rail connections and proximity to London and European markets, creating an asset base unmatched elsewhere in the UK

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Ports, Transport and Logistics

National Significance:

Kent and Medway is one of the UK's most important trade economies. The county sits at the heart of the UK's relationship with Europe, providing critical infrastructure that enables the movement of goods, people and energy between the UK and international markets. Much of the country's trade, particularly with Europe, depends upon assets located within Kent and Medway.

Taken together freight through Kent accounts for approximately 59% of UK-EU trade. The Port of Dover alone handles approximately £144 billion of trade annually, including around a third of all UK-EU trade in goods. Alongside the Channel Tunnel, it forms part of the highest-volume and fastest freight corridor between the UK and mainland Europe. Beyond Dover and the Channel Tunnel, the Thames Estuary ports form a critical part of the UK's freight infrastructure. The Port of Sheerness is a nationally significant gateway for vehicles, construction materials and industrial freight, providing a key entry point for the aggregates, timber, steel and other materials needed to deliver homes, major infrastructure projects and economic growth across the South East. The wider network of ports, rail infrastructure and freight corridors further strengthens Kent and Medway's role in national trade, economic resilience and supply chain security.

Infrastructure

- **95%** of space is industrial, with rent costs roughly **15% cheaper**
- **15%** of space is **Grade A**, compared to 20% nationally
- Lower warehouse vacancy rate than comparators at **6.8%**

Scale

- **Business numbers** growing at a rate of **6%** CAGR
- **5 of the 6 sectors** with more than twice the national concentration are in **water transport**

Enterprise

- Ports, transport and logistics businesses are **40%** more likely to be **exporting** in the region
- Mature business base with **73%** of businesses established, compared to 64% nationally

Future Trends

- The Lower Thames Crossing to more than **double road capacity** connecting to Essex.
- Ashford international reopening could inject **£534 million** a year into the visitor economy, and up to **£2.7 billion over five years.**

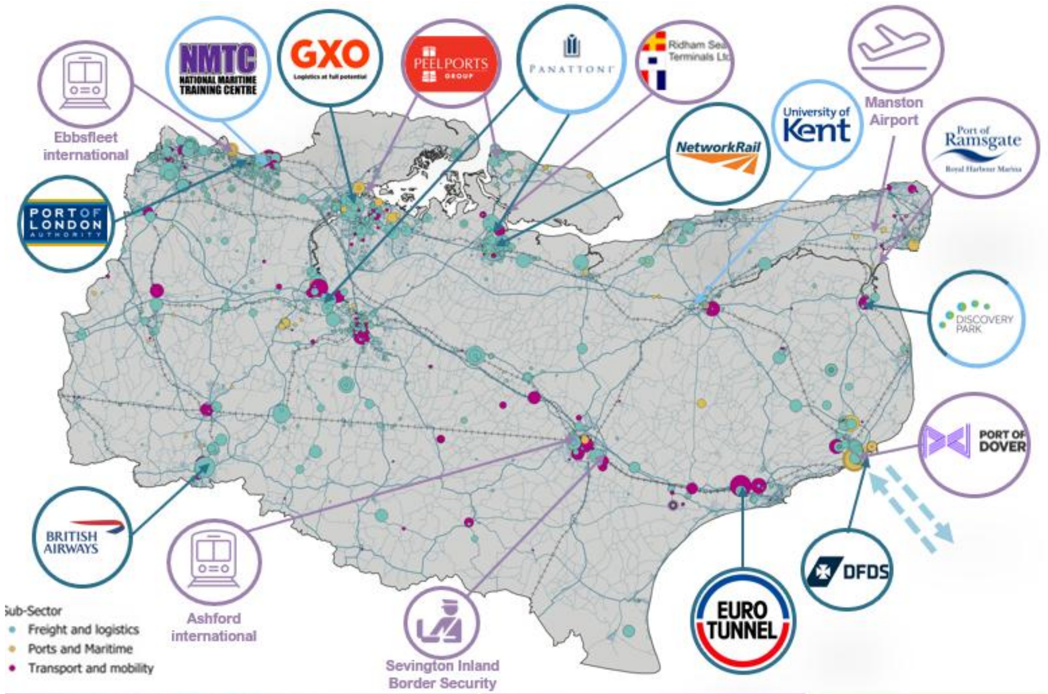
Innovation

- **112%** higher concentration in **Supply chain logistics** than nationally
- **90%** higher concentration in **Marine and Maritime** than nationally
- Significant strengths (~**70%** more concentrated) in **tracking technologies**

Human Capital

- **22%** of occupations are highly-skilled
- **27** job vacancies per 100 jobs, compared to **22** in the UK
- High concentration of **road and rail** transport offers, with lower concentration of employment linked to road transport.

Ports, Transport and Logistics



Actors & Assets		Infrastructure	Enablers
A critical mass of major ports, logistics, and transport operators and employers providing operational capacity to underpin sector activity at scale.	Interconnected employment sites, operational hubs and specialist training facilities clustered along key gateways and strategic transport corridors.	A unique concentration of nationally significant physical anchors that support high-volume, cross-border movement of goods and people, with significant latent capacity across underutilised port, airport and international rail assets.	Coordination and operating conditions that allow dispersed assets and employers to function together across Kent and Medway's transport corridors.

Networks that link assets, employers and infrastructure across the county, supporting coordination, resilience and efficient movement.

The county is home to the Port of Dover, the Channel Tunnel, Port of Sheerness, Thamesport, Port of Ramsgate, High Speed 1, Ashford International, Ebbsfleet International, the Lower Thames Crossing corridor, Manston Airport, Lydd Airport, and strategically important road networks including the M2, M20 and M25, as well as close proximity to Gatwick Airport. Together these assets provide unparalleled access to London, international markets and European supply chains.

Alongside and because of this infrastructure, Kent and Medway hosts a growing business base spanning freight operations, logistics services, maritime activity, customs expertise, supply-chain management and transport technologies. As logistics systems are becoming more digital, more automated and more closely linked to national priorities around productivity, decarbonisation, resilience and economic security our trade gateways provide opportunities to develop and deploy the technologies, infrastructure and business models that will shape the future of trade and logistics. The university of Kent also houses the Centre for Logistics and Sustainability Analytics, investigating a wide range of transport and logistics problems, and leading research projects on the decarbonisation of the road and maritime transport sectors.

We also have unrealised opportunities linked to strategic infrastructure and future investment. International stations at Ashford and Ebbsfleet, underused rail freight capacity, Manston Airport and parts of the wider port network represent assets that could play a greater role in future growth. Major investments and infrastructure proposals, including the Lower Thames Crossing, improvements to the A229 Blue Bell Hill corridor, A2 Brenley Corner and the dualling of the A2 near Dover, have the potential to improve capacity, reliability and connectivity across the county. Collectively, these investments, alongside opportunities around rail freight, freight gauge enhancements, border innovation and digital logistics, could provide the foundations for significant future expansion.

The challenge is ensuring that Kent and Medway captures more of the value generated by them. While substantial trade passes through the county each day, there remains significant scope to generate greater economic activity around logistics, supply-chain management, fulfilment, technology adoption, innovation and higher-value business services connected to the movement of goods.

Ports, Transport and Logistics

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Kent and Medway's growth opportunity lies in moving beyond its traditional role as the UK's gateway to Europe and capturing more of the value created by the movement of goods, people and trade. Future growth should focus not simply on increasing volumes, but on increasing the value generated from those flows through innovation, technology adoption, logistics services and higher-value business activity.

The county has the potential to become a leading centre for the future of logistics, combining trade infrastructure with digital technologies, border innovation, smart logistics and low-carbon freight. Strengths in supply-chain management, tracking technologies, logistics software and customs expertise provide opportunities to create skilled employment and increase productivity across the wider economy.

Equally important is the opportunity to better leverage existing assets. Greater use of rail freight, international rail connectivity, airports and coastal infrastructure could unlock new economic activity while improving resilience and sustainability. Combined with major investments such as the Lower Thames Crossing, this provides an opportunity to reshape the county's role from a place through which trade passes to a place that captures more of the value that trade creates.

The ambition should be for Kent and Medway to become the UK's leading location for trade, logistics and supply-chain innovation: a place where nationally significant infrastructure not only enables growth elsewhere, but acts as a platform for creating higher-value local economic activity.

<u>What's holding growth back?</u>

Whilst the sector is a major economic strength, several barriers limit the ability to translate national importance into local economic benefit.

- Much of the value generated by trade flows is captured elsewhere in supply chains rather than within Kent and Medway itself.
- Congestion, capacity constraints and gaps in multimodal connectivity reduce efficiency and resilience across the network, and can inhibit business operations and growth.
- Important assets, including international rail stations, rail freight infrastructure and some port assets, are underutilised relative to their potential.
- The sector is increasingly dependent on digital, engineering and technical skills, creating workforce challenges as logistics becomes more technology-driven.
- Businesses face difficulties accessing innovation support and there is potential to strengthen connections between ports, universities, technology firms and wider supply chains.
- National policy, regulatory frameworks and investment decisions around transport, border systems and freight infrastructure can constrain local opportunities.

The Channel Tunnel and International Rail

The Channel Tunnel and High Speed 1 (HS1) connect the UK directly to continental Europe, supporting international passenger services and the movement of freight. As the UK's only fixed link to the continent, the Tunnel provides significant capacity for expanding lower-carbon international travel and rail freight. Connecting directly with the Tunnel at Folkestone, HS1 carries international services onwards through Kent to London, alongside domestic high-speed services.

Around 64,000 passenger trains operated on HS1 in 2024/25, and international high-speed rail services carried 11.8 million passengers through Kent and the Channel Tunnel in 2025. High speed capability significantly reduces journey times between Kent and London, bringing Ashford within 36 minutes, and Gravesend within 17 minutes of London, compared with journeys more than twice as long on conventional services.

Kent and Medway's international rail terminals at Ashford and Ebbsfleet connect the region directly to this network but have not been served by international trains since the pandemic in 2020, with services instead travelling directly to London. This leaves significant existing capacity available that could be used to strengthen connections with European markets, shift more passenger and freight journeys from air and road to rail, and enable Kent and Medway to capture more of the economic value generated by international activity passing through the region. Restoring services would unlock regional growth, that has been stymied since the suspension of services by Eurostar. International Rail can grow the economy through multiple channels.

- Firstly, resumption of services is expected to encourage more international visitors to stay in Kent and Medway, increasing demand across the Visitor Economy and retaining more spending locally. Projections estimate that this could attract up to 493,000 new visitors, generate £315 million in spending and contribute £2.67 billion to the UK economy over five years.

- International services could also strengthen Kent and Medway's inward-investment proposition. Direct access to Europe, alongside fast connections to London, could make the region more attractive to European businesses seeking a UK location and UK companies requiring stronger access to continental markets. Easier connections with customers, suppliers, investors and skilled workers could influence where businesses establish, retain or expand their operations.

- Ashford could also play a wider role within an increasingly competitive international rail market. Its existing passenger-handling capacity could support future operators and complement capacity at St Pancras London terminal. Emerging interest in an international train servicing and maintenance depot at Ashford could also generate direct employment and supply-chain activity. Realising these opportunities will require continued work with HS1, station owners and prospective operators to develop a viable proposition for renewed services and associated investment.

Ports, Transport and Logistics – Investable Opportunity

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SHEERNESS STRATEGIC RAIL FREIGHT TERMINAL (SRFI)

Project details:
Development of a planning-approved rail freight terminal at the Port of Sheerness, integrating deep-water shipping, inland water freight, rail and road within a single logistics hub.

Alignment to principles of LGP:
Supports Kent and Medway's ports, transport and logistics strengths, while enabling sustainable freight movement, resilient supply chains and investment in energy, construction and manufacturing.

The ask:
Approximately £4.5 million of government infrastructure funding to accelerate delivery and unlock further private investment.

The impact/benefits:
A more efficient and resilient freight gateway serving London and the South East, supporting major housing, infrastructure and energy projects. The terminal is expected to create construction jobs and permanent skilled roles, with each freight train potentially removing around 75 HGV movements from the road network.

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Our actions to support growth

The ports, transport and logistics sector is currently operating as less than the sum of its parts. Unlocking growth will require greater coordination across infrastructure, operators, businesses and public partners to maximise the value generated by Kent and Medway's nationally significant role. To do this key priorities include:

A16: Develop a collective voice for the sector. Develop a stronger collective voice to influence national decisions around transport, border and trade infrastructure that are critical to Kent and Medway's future growth. There is a need for a stronger mechanism through which the sector can articulate shared priorities, advocate for investment and policy change, and ensure that national decision-making recognises both the strategic importance of Kent and Medway and the impacts associated with fulfilling this role.

- We will **bring together existing clusters, key stakeholders and local policymakers to develop shared priorities, advocate for the investment and policy changes the sector requires, and identify opportunities to leverage nationally significant infrastructure to deliver greater local economic benefits.**

A17: Position Kent and Medway as a testbed for border and freight innovation. Build on the concentration of international trade activity to establish Kent and Medway as a testbed for border innovation, customs technologies and smart freight solutions. The county's unique position at the heart of UK-EU trade creates opportunities to develop and deploy solutions that improve the efficiency, resilience and sustainability of freight and border operations.

- We will **seek to work with national innovation and infrastructure partners to develop programmes that support businesses to develop, test and commercialise new solutions linked to customs systems, border management, digital trade and freight movements.**

A18: Strengthen rail freight and international connectivity. Expand rail freight capacity, including multimodal links with ports and waterborne freight, and strengthen the use of highspeed/international rail infrastructure to improve connectivity, resilience, trade and sustainable growth. Greater use of rail could support economic growth whilst reducing pressure on the strategic road network and strengthening links with domestic and international markets.

- We will **establish a taskforce bringing together infrastructure owners, operators and public-sector partners to define the economic opportunity, identify infrastructure requirements and coordinate the case for future investment in rail freight, waterborne freight and international rail connectivity.**

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Our actions to support growth

A19: Unlock the potential of strategic transport and trade assets. Strategic assets including the Lower Thames Crossing, international rail stations, airport infrastructure and the wider port and rail networks have the potential to support additional trade, investment and economic activity. Realising their value will depend on complementary investment that strengthens connections between them and addresses constraints across the wider transport network.

- We will **work with relevant stakeholders to define the opportunities associated with these assets and identify the steps required to better leverage their potential. This will include making the case for improvements to the A229 Blue Bell Hill, Brenley Corner and the A2 towards Dover to maximise the benefits of the Lower Thames Crossing.**

A20: Use freight decarbonisation to drive innovation and growth. Position Kent and Medway at the forefront of greener logistics through rail freight, port electrification, green shipping corridors and alternative fuels. The transition towards lower-carbon freight presents both a significant challenge and an opportunity to drive innovation, attract investment and create new supply-chain activity. In particular, electrification at Dover could act as a catalyst for wider growth in energy, engineering and logistics-related activities.

- We will **work across the transport, logistics and energy sectors to identify and push forward opportunities where decarbonisation investments can support new business activity, innovation and local supply-chain development.**

Case Study: The Port of Dover

The Port of Dover is the UK's busiest international ferry port and closest gateway to mainland Europe. Its speed, scale and strategic location make it critical not only to Kent and Medway, but to businesses and supply chains across the country.

Located on the Short Straight, the Port of Dover is a critical part of the UK's trade infrastructure. It alone handles approximately £144 billion worth of trade annually, including 33% of all trade in goods with the EU, and 30% of all ro-ro ferry arrivals to the UK. The scale, frequency and speed of its connections make Dover crucial to international supply chains, including the movement of fresh food, medicines and other goods that depend on reliable access between UK and European markets. Its frequencies of arrivals and departures are roughly 57 per 24 hours based on 12 ferries. It is also a major transport gateway, transporting around 1.8 million tourist vehicles, nine million passengers and 2.1 million freight vehicles in 2025.

The UK's first net carbon zero port for its own direct operations and purchased energy, its model clears traffic 18 times faster than competitor ports and saves British businesses and consumers around £3 billion annually compared with alternative routes. The port provides a strong platform to testbed digital automation and clean energy opportunities and become the world's first high volume Green Shipping Corridor, with the transition to electric ferries and supporting energy infrastructure could place this nationally important trade route at the forefront of maritime decarbonisation. Opportunities surrounding transport management, border innovation, energy supply, infrastructure and research and development, set out in the Port's 2050 masterplan hold the potential to increase the value of trade handled through Dover by 20%, to £173 billion annually.

Case Study: Short straits and the coastline

Kent and Medway's coastline forms one of the UK's most important interfaces with Europe and a critical point of connection for the UK. At the Short Straits, the Port of Dover and the Channel Tunnel provide the country's closest and most intensive connections with the continent, supporting the rapid movement of passengers and freight and supporting supply chains across the country. Extending north around the coastline and into the Thames Estuary, a wider network of working ports including Ramsgate, Sheerness and Thamesport on the Isle of Grain provides specialist capacity for automotive trade, construction materials, aggregates, freight and logistics, while supporting offshore energy activity.

Off the north-east Kent coast the Thanet, and Kentish Flats wind farms operated from Ramsgate harbour generate enough electricity annually to supply more than 400,000 UK homes. The coastline also plays an increasingly important role in the movement and generation of energy. Kent hosts electricity interconnectors with France, Belgium and the Netherlands, including the 1 GW Nemo Link at Richborough and the 1 GW BritNed connection at the Isle of Grain. The Isle of Grain is also home to Europe's largest liquefied natural gas (LNG) import terminal.

This combination of ports, energy infrastructure and access to major shipping routes also creates opportunities to support the transition to a lower-carbon energy system through opportunities for carbon capture and storage at the Medway Carbon Capture Cluster. Proposals around the Medway power stations have explored capturing and liquefying carbon dioxide before transporting it by ship to permanent offshore storage. While these proposals are not yet committed, they demonstrate how the region's maritime and energy assets could work together to support industrial decarbonisation.

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Case Study: Lower Thames Crossing (LTC)

The Lower Thames Crossing is a nationally significant strategic infrastructure project to deliver a new high-capacity road crossing east of London, including a twin-bore tunnel beneath the River Thames and approximately 14 miles (23 km) of new roads connecting the M2/A2 in Kent with the A13/M25 corridors in Essex.

Within Kent and Medway, the scheme is intended to enhance the reliability and resilience of the UK's principal trade and logistics corridor, reducing reliance on a single Thames crossing and strengthening connections between Kent's strategic gateways, London, the Midlands and the North, and the wider national economy. The scheme has a broad national policy mandate and has secured Development Consent and government approval in 2025.

The economic benefits projected have the potential to be transformative, with independent studies suggesting the project could deliver up to £200 million annually in productivity gains by cutting congestion, reducing delays, and creating more reliable connections between ports, logistics parks, and inland hubs. The government has forecast that the scheme could generate as many as 22,000 jobs during construction and provide a long-term boost for regional economies that rely heavily on efficient movement of goods.

However, the full transport benefits depend on improvements elsewhere in Kent's strategic road network. Constraints at the A229 Blue Bell Hill, Brenley Corner and the A2 towards Dover will remain on routes connecting the crossing with Dover and the Channel Tunnel. Without these improvements, additional traffic could increase pressure on existing bottlenecks rather than improving movement across the county.

There are additional opportunities to emerge from employment space enabled by the delivery of the scheme. Logistics-linked real estate and last-mile facilities near new junctions provide opportunities for new commercial and industrial development, including logistics parks and warehousing growth.

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Cross-Cutting Strategic Priorities

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Kent and Medway has distinctive sector strengths, nationally significant assets and considerable potential for growth. However, realising this potential depends on addressing the wider conditions that shape how our businesses, institutions, places and people effectively work together and operate.

In developing the Local Growth Plan, five cross-cutting challenges were identified through analysis of the local economy and engagement with businesses, institutions and partners. These challenges are experienced differently across our sectors and places, but collectively limit productivity growth, access to investment and the ability to capture more value within our county.

Five strategic priorities will create conditions for transformative growth across our economy. These priorities address constraints that impact across businesses, sectors and place:

- Fragmentation limits collaboration and collective impact.
- Innovation opportunities are not consistently translated into business growth.
- SMEs face barriers to starting, scaling, accessing finance and competing.
- Infrastructure is not always aligned with current and future economic need.
- Skills provision does not consistently meet employer demand.

Addressing these constraints will enable our priority sectors and strategic assets to realise more of their potential and act as catalysts for wider growth, accelerating innovation, attracting investment and supporting expanded high-value economic activity across Kent and Medway.

Build a connected economy with strong, visible networks

Kent and Medway will operate as a connected economic system. It will be a place in which our collective strengths are visible, priority sectors act with shared purpose and greater collaboration, and businesses can readily access opportunities and support wherever they are located.

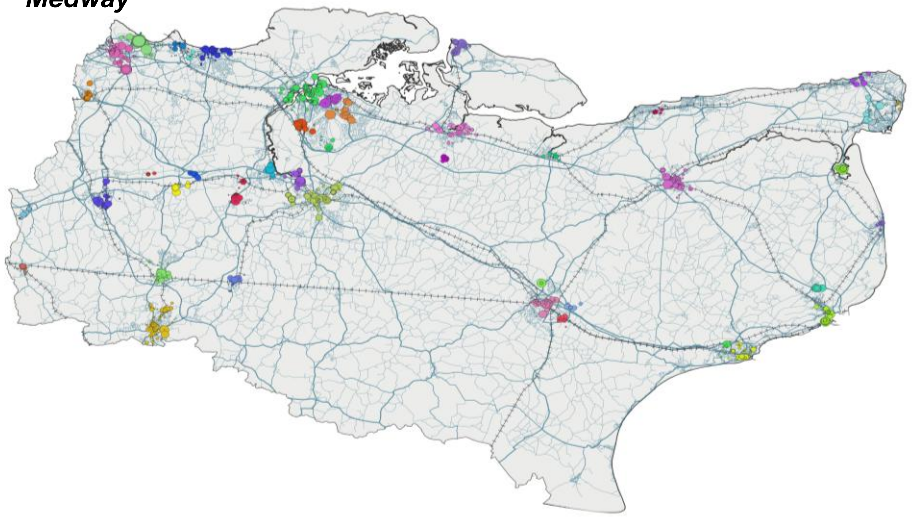
Kent and Medway's scale, polycentric geography and diverse business base are important characteristics of our region, but they do not naturally produce the concentration and connectivity found in major city economies that drive growth with greater ease. This means that our economic capabilities are distributed across different places, sectors and organisations, and opportunities to combine complementary strengths and generate greater value from our existing capabilities are not yet being fully realised. This makes purposeful coordination essential to achieve greater scale, influence, and recognition.

Across our county, our businesses, universities, colleges and key assets each hold pockets of capability, but operate in parallel rather than as a connected system. This disconnect limits collaboration within and across our sectors and means that the collective strengths and assets are working at less than the sum of their parts. This fragmentation is reflected in business support with limited sector specific provision, unclear routes into skills and research expertise, and weak connections between major assets, anchor organisations and local businesses, meaning opportunities to develop clusters and new international links to Europe, strengthen local supply chains and generate wider economic benefits are not being fully realised.

Our dispersed economic geography means that there is no single commercial or innovation centre of gravity around which activity naturally concentrates. Without purposeful coordination, it is difficult to build the critical mass needed to form clusters, sustain collaboration and realise economies of scale. Several of our priority sectors consequently lack the shared voice and clear proposition needed to attract investment and gain external recognition.

For businesses, fragmentation means that the support landscape that can be difficult to navigate, spread across different organisations and places, making it harder for businesses to identify and access what they need. This is particularly challenging for our broad base of innovative SMEs with limited time and capacity, making strong networks, opportunities for collaboration and brokered connections essential to opening routes into support, expertise, funding and new markets.

Spatial concentrations of emerging economy businesses in Kent & Medway



Colours represent different spatial concentrations of businesses

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Case Study: Short Straits Maritime Cluster

The Short Straits Maritime Cluster (SSMC) is an industry-led network connecting businesses, education and research institutions, and government across the maritime sector. The cluster provides a platform through which members can share knowledge and good practice, combine expertise and develop joint initiatives around the opportunities and challenges facing the Short Straits region. Established in 2025 by the Port of Dover, DFDS and the University of Kent, the cluster grew out of earlier collaboration on clean-maritime projects.

The cluster creates regular opportunities for members to meet, exchange knowledge and explore shared challenges through networking, workshops and engagement with policymakers. These relationships help connect industry needs with research expertise and skills provision, allowing organisations to identify areas where they can combine their capabilities and develop projects together. Its work is centred on decarbonisation, digitalisation and the skills the maritime sector will need in future.

The cluster is successfully creating connections between organisations that contribute different expertise, and provides a basis for coordinated action across the sector. It strengthens the sector’s collective voice and helps partners respond jointly to technological change, skills requirements and future investment opportunities.

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Cross-cutting Strategic Priorities:

Our actions to support growth

Kent and Medway has significant economic assets, sector strengths and supporting innovation capabilities, but these are dispersed across a large and polycentric area. Unlocking growth will require stronger coordination across places, sectors and organisations so that our region operates as a more connected economic system that can pursue shared opportunities and better communicate our strengths.

Key priorities include:

B1: Strengthen the visibility of Kent and Medway's sector strengths and economic offer to businesses, investors and government. We have a wealth of nationally significant assets, sector strengths and economic activity, but these are not yet sufficiently visible as a collective regional proposition. This limits external recognition and makes it harder to communicate a compelling proposition to businesses, investors and government.

- **We will work with Invest in Kent and local partners to enhance the visibility of Kent and Medway's offer and strengths both internally and externally, including developing a joined-up investor offer to attract inward investment.**

B2: Establish formal cluster groups for priority sectors. Businesses, assets and institutions within priority sectors are often connected informally, but sectors lack the organisational capacity to align activity, unite ambition, collaborate, and pursue shared opportunities, leading to duplication and loss of opportunities to arise from a collective voice.

- **We will create formal cluster groups for priority sectors to align activity, uniting ambition and building support and collaboration mechanisms across industry, academia and civic partners to ensure our sectors are operating as more than the sum of their parts.**

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Cross-cutting Strategic Priorities:

Our actions to support growth

B3: Strengthen the Growth Hub as a single, coordinated gateway to business support across Kent and Medway. Businesses can struggle to identify and navigate the range of grants, advice, innovation support and sector opportunities available, particularly where they lack the time or established relationships needed to find the right support.

- We will **work with the Growth Hub, business membership organisations, local authorities, universities and other delivery partners to develop a more visible and coordinated route into tailored sector focused support. This will combine a clear regional gateway with a hub-and-spoke model of locally accessible and sector-specific brokerage, helping businesses to identify their needs, connect with the most appropriate provision and access opportunities across Kent and Medway.**

B4: Develop a Local Growth Fund to support enterprise growth across key sectors. Access to growth capital remains a persistent challenge for businesses seeking to scale, innovate and commercialise new ideas. A locally controlled investment fund could focus on priority areas such as providing seed and equity investment for start-up and scale-up activity in priority sectors; support economic infrastructure such as workspace delivery in the right places; and support cluster development and growth. This would provide greater flexibility to target investment where it can have the greatest impact and align capital more closely with growth ambitions

- We will **work with businesses, government, delivery partners and potential investors, including the Kent Pension Fund, to develop the proposition and identify investment priorities, delivery models and funding opportunities, enabling greater local influence over investment in enterprise growth and innovation.**

Develop a dynamic and innovative ecosystem

Kent and Medway will be an accessible, well-connected and business-facing innovation ecosystem that connects businesses with the expertise and investment to test, adopt and scale new ideas.

Our priority sectors are being moulded by technological change, decarbonisation and automation, making innovation central to the growth and resilience of our economy. Our combination of nationally significant infrastructure, specialist research assets and established sector strengths create opportunities to develop and apply innovation in real-world settings, meaning Kent and Medway is particularly well positioned to benefit. Opportunities across our agricultural land and food-production businesses can support the application of robotics, AI and health related research and application; our ports and border infrastructure provide an environment for new freight, customs and logistics technologies; and the electrification of the Short Straits can unite our strengths in energy, digital technology and transport. These intersections create opportunities for innovation in one part of the economy to generate new markets, supply chains and productivity benefits across several others.

We are well positioned to support innovation led growth across our economy. We have a track record securing national investment, including almost £21.1 million of Innovate UK funding across 139 projects since 2022/23, spanning a wide range of sectors, technologies and disciplines. The benefits of connecting our businesses, research institutions and specialist assets can be seen through the success of the £42.1 million Growing Kent & Medway innovation cluster, led by Niab and working with our research anchors in the Universities of Kent, Greenwich and Canterbury Christ Church.

Despite having strong foundations, connections between our businesses, universities, research institutions and specialist assets are not consistently established or easy to navigate, particularly for SMEs. Businesses can struggle to identify the right expertise, facilities, and investment or to find a clear point of entry into the support available.

The circular economy provides another opportunity across sectors. Food and agricultural by-products, construction materials, industrial waste, energy and logistics flows could be used more productively through reuse, recovery, reprocessing and industrial symbiosis. Connecting businesses, researchers and infrastructure operators around these opportunities could reduce resource costs while supporting new products, services and supply chains.

Develop a dynamic and innovative ecosystem

Kent and Medway will be an accessible, well-connected and business-facing innovation ecosystem that connects businesses with the expertise and investment to test, adopt and scale new ideas.

The challenge extends beyond research into supporting application. Routes through which businesses can develop, test, demonstrate and commercialise innovation remain limited, and constraints around access to finance, specialist space, digital connectivity and internal capacity further increase the cost and risk of innovation. This means that our existing capabilities are not translating into impact. Although Kent and Medway has a higher proportion of innovation-active businesses than the UK overall, it remains behind regional comparators and has lower proportions of businesses undertaking specific activities such as internal R&D, process innovation and introducing genuinely new products.

We want to ensure that all of our businesses, regardless of size and growth stage are consistently able innovate to improve productivity, enter new markets or respond to transition pressures, from developing new products, bespoke solutions and processes to adopting existing technologies faster.

There is a gap between agricultural research and the application of innovative solutions on farms and in food businesses. Technologies such as precision farming, AI, drones, robotics and bioscience offer key opportunities to improve productivity and sector resilience, but adoption is limited by cost, risk and funding.

Case Study: Discovery Spark

Discovery Spark supports early-stage science and technology companies from across the UK, with a particular focus on life sciences and health innovation. Based at Discovery Park in Sandwich, it helps founders build the commercial capabilities and connections needed to progress their ideas and prepare for investment.

Businesses receive specialist support on commercial strategy, finance, intellectual property, legal and governance requirements and investment pitching, across seven in-person sessions. They also benefit from mentoring, peer learning, connections to investors and sector experts, a final pitch day and six months' free access to shared laboratories and coworking space.

Since successfully launching in 2023, the first six cohorts have supported 62 companies and 96 founders, with alumni securing £5.5 million in UKRI funding.

Cross-cutting Strategic Priorities:

Our actions to support growth

Kent and Medway has a strong base of universities, colleges, research expertise and innovation assets, but there are opportunities to better connect our capabilities and create the conditions for a more innovative ecosystem. Businesses can find it difficult to identify and access the expertise, facilities and investment they need, while opportunities to commercialise research and collaborate around shared sector challenges are not being fully realised.

To strengthen our capacity to develop, test, adopt and scale new ideas, key priorities include:

B5: Strengthen collaboration between businesses, universities and colleges around the specific needs and opportunities of our economy. Closer and more systematic relationships are needed to ensure that research and innovation activity responds to business demand and translates into new products, processes and commercial opportunities.

- **We will bring businesses and research institutions together around shared sector challenges and areas of comparative advantage, including logistics innovation, agri-food systems, industrial symbiosis, carbon capture and energy, creating stronger routes from research through to application and commercialisation.**

B6: Develop a proposition for a shared technology transfer function. Kent and Medway benefits from a diverse research and innovation base, but businesses can find it difficult to navigate expertise, intellectual property, facilities and commercialisation support across different institutions. At the same time, there is broad recognition that stronger mechanisms may be needed to help translate research and innovation activity into new products, services and business growth.

- **We will work with universities, research organisations, businesses and innovation partners to explore the case for a shared technology transfer function, develop a clear proposition for the investment pipeline and identify opportunities to strengthen commercialisation support across Kent and Medway.**

Cross-cutting Strategic Priorities:

Our actions to support growth

B7: Build stronger relationships with Innovate UK and other national innovation funders. Kent and Medway has a strong track record of innovation activity and nationally significant assets, but there are opportunities to increase awareness of funding opportunities and strengthen the pipeline of businesses and projects ready to access support.

- We will **continue our work with Innovate UK, universities, innovation assets and business networks to improve awareness, increase innovation readiness and strengthen connections to national funding and support programmes.**

B8: Develop a coordinated network of innovation facilities, demonstrators and testbeds across Kent and Medway's priority sectors. The county possesses a range of specialist assets, but their collective offer is not sufficiently visible, connected or accessible to businesses.

- We will **map and connect existing facilities, address gaps in provision and develop a pipeline of demonstrator and testbed opportunities that enable businesses to develop, trial and validate technologies in real-world settings, particularly across the agri-food, digital, energy, manufacturing and transport and logistics sectors.**

Build a future-ready workforce

Kent and Medway will develop, attract and retain the skilled workforce needed to support growth, innovation and long-term economic resilience. We will create the conditions that enable people across the county to build fulfilling careers locally, with clearer pathways connecting residents to skills, employment and progression opportunities.

Our ability to realise the growth opportunities across Kent and Medway's economy relies on having the skilled workforce with the capabilities and capacity to deliver them. This means enabling people to develop their talents, access good careers locally and benefit from the opportunities created by our strategic economic assets. Without the right skills and pathways, businesses will not be able to capitalise on opportunities for growth and investment, while our residents miss out on the local jobs and progression routes those opportunities should create.

Kent and Medway has a strong education base spanning further and higher education. Our further education colleges including East Kent Colleges Group, North Kent College and Hadlow College are strategic partners in the growth system providing technical education and apprenticeships, alongside specialist facilities, support technology adoption and business innovation, and connect employers with learners and local communities. Canterbury Christ Church University and London and South East University Group add further research, higher-level skills and specialist teaching capabilities and together provide an important foundation for workforce development, innovation and business growth across Kent and Medway. Specialist skills providers also exist across the county, including emerging initiatives, such as the Green Campus at Ramsgate Port with ambitions to provide a focal point for innovation, skills development and business growth linked to renewable energy and marine industries.

However, perceptions of some industries make it harder to attract young people into key careers, limiting the pipeline of new entrants into priority sectors. The increasingly technical and higher-skilled nature of careers in areas such as agri-food, logistics, energy and advanced manufacturing is not always widely understood or desirable to our young workforce, while the breadth of opportunities and the routes into them are not sufficiently visible.

Retaining skilled workers is also an ongoing challenge. Cost-of-living pressures, competition from London and neighbouring labour markets and limited visibility of local progression opportunities can make it harder for people to establish and develop their careers within Kent and Medway. This reduces the pool of experienced workers available to local employers and can leave businesses competing for the same limited talent, particularly in technical, digital, engineering and management roles.

Demand for future-facing skills, including AI, automation and robotics is growing. Provision is responding to these changes, aligned to the refreshed Local Skills Improvement Plan (LSIP), however, access and alignment remain uneven across sectors and places, and provision cannot always adapt at the pace or level of specialism required by employers. Some businesses also struggle to navigate the skills system or articulate their future requirements. This is especially challenging for SMEs, which often lack the time and capacity to participate in curriculum development, release staff for training, provide placements or take on apprentices.

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Cross-cutting Strategic Priorities:

Our actions to support growth

Kent and Medway has a diverse workforce and a strong base of further and higher education provision. Building on the Local Skills Improvement Plan, addressing persistent skills shortages will require stronger connections between employers, education providers and residents. Employers continue to report difficulties recruiting people with the capabilities they need, and provision does not always keep pace with changing demand. At the same time, many young people and residents lack visibility of the breadth of careers available locally, contributing to weak talent pipelines and the loss of skilled workers to London and elsewhere. Addressing these challenges will require stronger connections between employers, education providers and residents.

Key priorities include:

B9: Develop a coordinated careers and talent retention campaign focused on priority sectors. The campaign will raise awareness of the breadth of local career and progression opportunities, challenge outdated perceptions of key industries and demonstrate that residents can build rewarding careers within Kent and Medway.

- **We will bring employers, education providers and sector partners together to promote priority-sector careers and communicate clearer pathways into the jobs shaping our future economy.**

B10: Create clearer pathways connecting local people with employers across the priority sectors. Greater visibility of careers must be matched by practical opportunities for residents to gain experience, develop relevant skills and enter employment.

- **We will build on the cross cutting themes identified through the Local Skills Improvement Plan, working with employers and education providers to strengthen routes into priority-sector jobs through employer encounters, work experience, industry placements, training and apprenticeships.**

B11: Building on the Local Skills Improvement Plan, establish employer-led sector skills partnerships in identified priority sectors. Skills provision needs to respond more closely and quickly to changing business requirements, particularly as new technologies and ways of working reshape demand.

- **We will establish focused partnerships through which employers can articulate shared skills needs and work directly with further and higher education providers to shape relevant provision aligned to the Local Skills Improvement Plan cross cutting themes, and drawing on lessons from previous partnership models.**

B12: Deliver a Lecturer in the Community programme to strengthen links between education providers and employers. Direct engagement between lecturers and industry helps providers understand current workplace practices, technologies and skills requirements, while giving businesses a clearer route into the education system.

- **We will continue the programme, enabling lecturers to spend time with local employers and translate that experience into more relevant teaching, careers information and curriculum development.**

Deliver infrastructure that unlocks growth

Kent and Medway will have the infrastructure required to enable growth and alignment with economic priorities, while maximising the value of strategic assets to unlock investment and opportunity locally.

Kent and Medway's infrastructure is fundamental to both our own growth and the functioning of the wider UK economy. Our infrastructure connects businesses with national and international markets and enables the movement of goods, people and energy across the country. However, the infrastructure supporting this role does not consistently provide the capacity or connectivity for businesses and sectors to locally grow, and underutilised assets are holding back the growth potential of our priority sectors. There is a strong opportunity to leverage existing assets and address key gaps to unlock growth and improve connectivity across the region and beyond.

Transport and connectivity

Our strategic transport network provides exceptional connectivity to London, Europe and international markets, making Kent and Medway the best place in the UK to trade, but it also places sustained pressure on our key networks. The volume of freight and passenger movement through the county contributes to congestion, unreliable journey times and disruption for businesses and communities. When Cross-Channel disruption and Operation Brock place additional pressure on the M20 and surrounding areas this can result in significant halt to operations and movement across our county. Looking beyond road transport, the ability to make greater use of rail and waterborne freight is similarly constrained. Network pinch points, gauge and capacity limitations and fragmented responsibility for investment maintain reliance on road freight, while limitations in public transport and poor circular rail connectivity affect access to employment and training in across the county, constraining the accessibility of opportunities for local residents.

Underutilised assets

Despite these constraints, there remains untapped capacity across Kent and Medway's underutilised transport and port assets. International passenger services have not stopped at Ashford or Ebbsfleet since 2020, despite both stations retaining international infrastructure. Existing rail freight connections and parts of the wider port network also have scope to support greater activity, while Manston Airport remains unopened.

Deliver infrastructure that unlocks growth

Kent and Medway will have the infrastructure required to enable growth and alignment with economic priorities, while maximising the value of strategic assets to unlock investment and opportunity locally.

Workspace availability

Access to suitable workspace and specialist business facilities is uneven across Kent and Medway. Across our county there are a number of innovation and industrial assets, however there are gaps in the availability of the types of space needed to support growth, collaboration and innovation. These challenges are particularly evident in sectors that require specialist facilities, including digital and technologies businesses seeking access to innovation and collaborative workspace, and agri-food businesses requiring processing, storage and production capacity. Limitations on the availability and accessibility of these assets influence where businesses can locate, invest and expand, impacting on labour mobility, supply chains and broader regional disparities.

Growth will also depend on enabling new homes in locations that connect residents with employment opportunities. This requires timely investment in transport, energy, water, digital and community infrastructure so that residential development near centres of economic growth is viable, well connected and supported by the services communities need.

Shortages in accessible workspaces for the digital and technologies sector are constraining opportunities for collaboration and innovation. The sector is largely made up of freelancers and SMEs, spread across a series of micro-clusters, making opportunities to connect with peers and access support and expertise essential to the networking and knowledge exchange that underpin a successful digital ecosystem. Uneven access to studios, innovation hubs, co-working facilities and specialist digital infrastructure limits opportunities for collaboration and reduces the visibility of local businesses, making it challenging for firms to access expertise, investment and commercial opportunities.

Energy

Access to sufficient and timely power capacity is increasingly shaping where growth can take place across our region. Grid constraints are particularly acute in East Kent and parts of Medway, where limited network capacity is affecting housing, industrial development, digital infrastructure and transport decarbonisation. Some major projects face connection dates beyond 2034, while the cost of network upgrades creates additional barriers for smaller industrial developments.

Electricity network constraints are already affecting the timing and viability of major opportunities, including port electrification at Dover, industrial growth in Medway and prospective data-led development at MedwayOne. Coordinated network planning and investment will be needed to unlock these opportunities and meet future demand. As demand grows through electrification, these constraints are also limiting net zero and low-carbon investment.

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Deliver infrastructure that unlocks growth

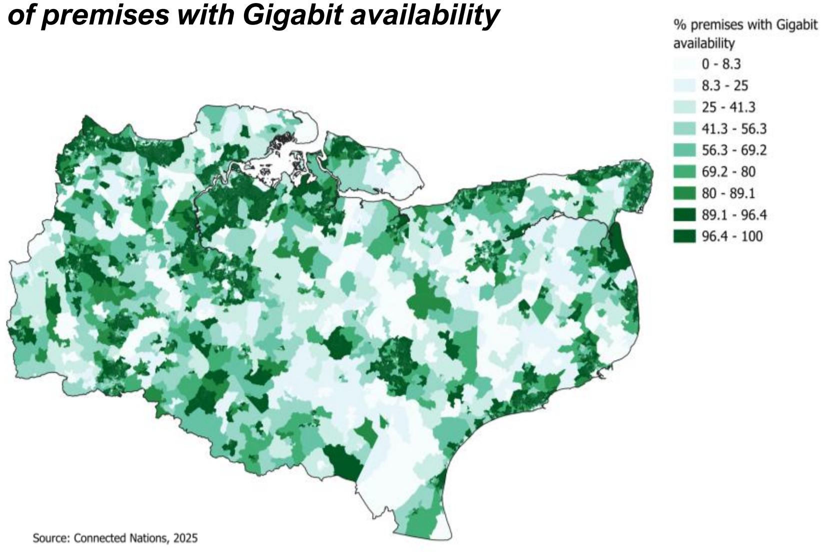
Kent and Medway will have the infrastructure required to enable growth and alignment with economic priorities, while maximising the value of strategic assets to unlock investment and opportunity locally.

Digital connectivity infrastructure

Reliable fixed and mobile connectivity is critical enabling economic infrastructure that supports business productivity, inward investment, innovation, automation, remote and hybrid working, access to skills and markets, and the resilience of essential services. It is also a prerequisite for realising many opportunities across our priority sectors. However, access is uneven across Kent and Medway. In 2025, only 52% of business premises had access to gigabit-capable broadband, compared with 82% of residential premises. Gaps in fixed connectivity and the coverage, capacity and reliability of mobile networks create an uneven platform for growth, particularly for rural businesses, business parks, industrial estates, transport corridors and emerging growth locations.

Digital infrastructure must therefore be planned and delivered alongside transport, energy, housing and commercial development. Future spatial and investment decisions should identify connectivity requirements at the outset and ensure that new growth does not embed avoidable digital infrastructure deficits.

% of premises with Gigabit availability



Water

Water availability and resilience is also a fundamental component of the infrastructure required to support our growth ambitions. Kent is recognised as one of the driest regions in England, with parts of the county experiencing moderate to serious water stress. Recent supply disruptions have further demonstrated the potential consequences for residents, businesses and public services, while climate change, population growth and increased economic activity are expected to place additional pressure on the county's water resources, making this both an immediate concern and a long-term constraint on growth.

Without sufficient capacity and resilience, water availability could become a barrier to business investment, site development and the sustainable growth of strategically important industries, including across our priority sectors.

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Cross-cutting Strategic Priorities:

Our actions to support growth

Kent and Medway's infrastructure is fundamental to both its own growth and the functioning of the wider UK economy. However, constraints in digital connectivity, energy capacity, transport networks and suitable commercial space are limiting business investment and expansion, while several nationally significant assets are underperforming relative to their strategic potential. Unlocking growth will require infrastructure investment to be more closely aligned with economic priorities and used deliberately to open up new opportunities for businesses, sectors and places.

Key priorities include:

B13: Treat fixed and mobile connectivity as critical enabling infrastructure and accelerate its delivery across Kent and Medway. Reliable, resilient and high-capacity digital connectivity is essential to business productivity, investment, innovation and the successful development of growth locations. Kent and Medway will require a coordinated approach that addresses current gaps while anticipating future business, housing, transport and public service needs.

- **We will maintain a strategic evidence base for fixed and mobile connectivity; embed digital infrastructure requirements within spatial, transport and development planning; and work with government, Ofcom, BDUK, mobile and fixed network operators, developers and local partners to secure timely delivery.**

B14: Address grid capacity constraints and prepare for future power demand. Limited electricity network capacity is already constraining development and investment in parts of Kent and Medway, while demand will increase as businesses, transport systems and major infrastructure transition towards electrification.

- **We will engage with energy infrastructure providers, DSIT and wider government to ensure that Kent and Medway's future economic and infrastructure requirements are reflected in network planning and investment decisions, and also look at novel or innovative ways of addressing energy challenges.**

B15: Support strategic freight, logistics and transport improvements that reduce congestion and enable growth. Kent and Medway's gateway role places significant pressure on local transport networks, affecting communities and businesses as well as the efficiency and resilience of national supply chains.

- **We will support priority transport and logistics projects that improve freight movement and minimise local congestion, including improvements to the A2 towards Dover, Blue Bell Hill and Brenley Corner that will help maximise the impact of the Lower Thames Crossing.**

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Cross-cutting Strategic Priorities:

Our actions to support growth

B16: Plan for the water capacity and resilience needed to support growth. Water availability and wastewater capacity are increasingly important considerations for business investment, housing and site development. Existing pressures, alongside climate change, population growth and increased economic activity, could constrain development unless future demand and infrastructure requirements are identified early.

- **We will work with water companies, the Environment Agency, local planning authorities, businesses and other infrastructure providers to assess future demand and geographic capacity constraints in priority growth locations. This will inform closer alignment between the emerging Kent Water Resources Strategy, spatial planning and infrastructure investment, while identifying opportunities to improve water efficiency, reuse and long-term resilience.**

B17: Increase the economic value generated by underused strategic transport assets. Kent and Medway contains nationally significant port, rail, airport and international connectivity infrastructure, but some assets including Ashford and Ebbsfleet international stations and Manston Airport are currently underused relative to their potential. Collaboration across the rail network has strengthened in recent years but there are cross modal opportunities which call for broadening this work.

- **We will convene asset owners, operators, businesses and public partners across modes to define the economic opportunities associated with these assets and identify the investment, policy and delivery steps needed to better leverage, repurpose or reactivate them.**

B18: Ensure that businesses can access the right space in the right place. To start, grow and remain in Kent and Medway. Gaps in the availability of suitable premises can prevent businesses from scaling, adopting new technologies or locating close to relevant supply chains, research capabilities and infrastructure.

- **We will undertake a strategic assessment of current and future commercial space requirements, identifying gaps and opportunities for specialist facilities, grow-on space and provision aligned with the needs of priority sectors.**

B19: Use Kent and Medway's infrastructure challenges and future infrastructure needs as a platform for innovation. The scale and complexity of the area's transport, energy, digital and environmental infrastructure needs create opportunities to develop and demonstrate solutions with wider commercial potential.

- **We will identify priority challenges that can be opened to businesses, universities and infrastructure providers, enabling new technologies and approaches to be developed, tested and deployed in real-world settings.**

Create clearer pathways for SME growth

Kent and Medway will have a strong business environment that enables SMEs to start, scale and compete more easily, with fewer barriers, clearer support and improved access to markets and opportunities.

Our ability to deliver growth across Kent and Medway depends on the strength and success of our SME base, which accounts for more than 99% of businesses across the region. Smaller businesses have less capacity to absorb the costs and risks involved in developing new skills, entering markets and investing for growth, limiting their ability to pursue new opportunities and scale. Supporting these first is therefore essential to delivering growth across the whole economy and ensuring that benefits are felt locally, strengthening economic resilience and opening future opportunities to a wider range of businesses across the county.

In Kent and Medway there is a wide range of business support available to help SMEs develop and grow. However fragmentation means that accessing this support can be challenging, with provision spread across different organisations and programmes. For businesses with limited capacity to engage beyond their day-to-day operations, this landscape can be difficult to navigate and limit the willingness and ability of businesses to access support. Accessing specialist advice on regulation, compliance, procurement and entering new markets can require considerable time and effort, making it harder for SMEs to identify and secure the support and expertise relevant to their growth.

Access to finance also remains a constraint for smaller businesses with routes into funding not always clear, awareness of available opportunities can be limited, and finance is not always well aligned with the scale and needs of our smaller enterprises. Some businesses also lack the capacity and experience needed to develop a credible investment proposition or put in place the plans and governance required to use external finance effectively and translate it into sustainable growth.

Many of our priority sectors are shaped by large employers and established supply chains, creating significant contract opportunities that smaller businesses can find difficult to access. Requirements to supply at scale, demonstrate consistent delivery, hold specific accreditations or commit resources before income is secured can create particular barriers for SMEs. This is compounded when emerging opportunities are not visible early enough, leaving businesses with less time to build capacity, form partnerships or prepare a competitive bid. This means that many capable local businesses can miss out on contracts generated by growth and investment within the region.

Complex procurement and supply-chain requirements are limiting the ability of smaller agri-food businesses to reach larger markets. Smaller producers often lack the time and capacity to navigate public procurement processes or meet the volume, consistency and contracting requirements of larger buyers. This restricts their access to local procurement and wider supply chains, limiting opportunities to scale, diversify and capture more value from production.

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Cross-cutting Strategic Priorities:

Our actions to support growth

SMEs make up more than 99% of Kent and Medway's businesses and are fundamental to employment, innovation and growth across the economy. However, many lack the capacity, connections and routes to market needed to participate fully in the opportunities generated by the county's priority sectors and strategic assets. Unlocking their potential will require clearer pathways into skills, support, finance, innovation, procurement opportunities and supply chains.

To do this, key priorities include:

B20: Develop a shared higher education apprenticeship model that enables SMEs to access skills and talent they could not support individually. Many smaller businesses lack the capacity to recruit, manage or provide a sufficiently broad experience for an apprentice independently.

- **We will** help to bring together higher education providers, SMEs and relevant partners to develop a shared model through which businesses can collectively access apprentices and higher-level skills.

B21: Create clearer routes for SMEs to access business support, grants, mentoring and specialist advice. The existing support landscape can be difficult and time-consuming to navigate, particularly for businesses with limited internal capacity.

- **We will ensure the wider business support offer and hub-and-spoke model provides SMEs with a clear route into relevant support.**

B22: Establish accessible routes connecting SMEs with innovation expertise, university capabilities and specialist facilities. Kent and Medway possesses significant research expertise and innovation infrastructure, but these capabilities are not always visible or readily accessible to smaller enterprises.

- **We will strengthen brokerage between SMEs, universities and innovation assets, helping businesses identify and access the expertise, facilities and partnerships needed to develop, test and commercialise new products and processes.**

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Cross-cutting Strategic Priorities:

Our actions to support growth

B23: Provide enhanced support for SMEs seeking external finance. Access to finance is constrained not only by the availability of funding, but by the capacity of businesses to demonstrate a credible proposition and prepare for external investment.

- **We will explore options to improve access to investment and develop support that helps SMEs strengthen their business plans, financial information, governance and investor propositions so that more viable businesses are ready to secure and make effective use of external finance.**

B24: Create practical mechanisms that enable SMEs to access procurement opportunities and major-sector supply chains. Smaller businesses can struggle to identify forthcoming opportunities, meet procurement requirements and establish relationships with major employers and strategic projects.

- **We will connect SMEs with buyers and supply-chain opportunities, helping more local businesses compete for contracts and ensure that major investment and infrastructure projects generate greater value within the county.**

B25: Give SMEs a stronger voice in cluster development and economic decision-making. Smaller businesses are not always able to participate in the networks and governance structures that shape sector priorities, despite forming the majority of the business base.

- **We will embed meaningful SME representation within cluster groups and relevant decision-making structures, ensuring that sector development reflects their needs and enables them to contribute to and benefit from growth.**

Delivering the plan

Delivering the Local Growth Plan

Delivering the Plan

This Local Growth Plan provides a shared framework for action across Kent and Medway's priority sectors and cross-cutting growth priorities. Delivery will depend on collaboration between businesses, local authorities, universities, colleges, infrastructure providers, government and wider partners, recognising that many of the opportunities identified in this plan extend beyond the remit of any single organisation. KMEP will play an important role in championing the Plan, bringing partners together around shared priorities, supporting the development of projects and propositions, and providing a forum through which progress can be reviewed and new opportunities can be identified.

From Strategy to Action

The priorities set out in this Plan are intended to provide a clear direction of travel rather than a fixed programme of activity. Individual actions will be developed and delivered through existing partnerships, strategies and delivery mechanisms, alongside new projects and collaborations that emerge over time.

Many of the priorities identified in the Plan will require continued partnership working, investment and support from government and national agencies. The Plan therefore provides a shared platform through which Kent and Medway can make the case for future investment, policy support and devolution.

Monitoring Progress

Progress will be reviewed through KMEP and its partners on a regular basis. This will include:

- Tracking progress against the action areas identified in the Plan.
- Reviewing the development of projects, programmes and investment propositions.
- Monitoring wider economic outcomes and indicators related to inclusive growth.
- Identifying new opportunities and emerging challenges.
- The Plan will be reviewed periodically to ensure it remains relevant and responsive to changing economic conditions, opportunities and policy priorities.

Supporting a New Era of Governance

Kent and Medway is entering a period of significant change through local government reorganisation and ambitions to establish a future Mayoral Strategic Authority. While future governance arrangements continue to develop, growth cannot wait.

This Local Growth Plan provides a shared set of priorities that can guide activity during this transition period and help ensure continued progress towards Kent and Medway's long-term economic ambitions. It is intended that the Plan can provide a foundation for future strategic leadership, informing investment decisions, economic priorities and partnership working under future governance arrangements.

By establishing a clear and widely supported growth agenda now, Kent and Medway can ensure it is well positioned to maximise the opportunities associated with devolution, attract investment and deliver sustainable long-term growth.

Sector Actions

Agri-Food and Agri-Tech

A1: Create a shared commercialisation and innovation hub

A2: Develop the specialist workspace and infrastructure the sector needs

A3: Champion a planning system that supports food production, rural growth and resilience

A4: Strengthen local procurement and value chains.

A5: Build a multidimensional health and horticulture specialism

Digital and Technologies

A6: Create a central hub for digital and creative businesses

A7: Develop a stronger shared identity for Kent and Medway's digital and technologies sector

A8: Ensure growing digital businesses can access the right space

A9: Strengthen connections across Kent and Medway's digital ecosystem

A10: Use local challenges to drive digital innovation

Energy

A11: Use the energy transition as a platform for innovation

A12: Strengthen the Grain energy cluster

A13: Explore opportunities in hydrogen and energy storage

A14: Develop opportunities for industrial symbiosis and resource sharing

A15: Maximise local economic benefits from major energy investments

Ports, Transport and Logistics

A16: Develop a collective voice for the sector

A17: Position Kent and Medway as a testbed for border and freight innovation

A18: Strengthen rail freight and international connectivity

A19: Unlock the potential of strategic transport and trade assets

A20: Use freight decarbonisation to drive innovation and growth

Cross-cutting Strategic Priorities Actions

Build a connected economy with strong, visible networks

B1: Strengthen the visibility of Kent and Medway's sector strengths and economic offer to businesses, investors and government.

B2: Establish formal cluster groups for priority sectors.

B3: Strengthen the Growth Hub as a single, coordinated gateway to business support across Kent and Medway

B4: Develop a Local Growth Fund to support enterprise growth across key sectors.

Develop a dynamic and innovative ecosystem

B5: Strengthen collaboration between businesses, universities and colleges around the specific needs and opportunities of our economy.

B6: Develop a proposition for a shared technology transfer function

B7: Build stronger relationships with Innovate UK and other national innovation funders.

B8: Develop & promote a coordinated network of innovation facilities, demonstrators and testbeds across Kent and Medway's priority sectors.

Build a future-ready workforce

B9: Develop a coordinated careers and talent retention campaign focused on Kent and Medway's priority sectors.

B10: Create clearer pathways connecting local people with employers across the priority sectors.

B11: Building on the Local Skills Improvement Plan, establish employer-led sector skills partnerships in identified priority sectors.

B12: Deliver a Lecturer in the Community programme to strengthen links between education providers and employers.

Cross-cutting Strategic Priorities Actions

Deliver infrastructure that unlocks growth

B13: Accelerate the rollout of gigabit broadband and improve mobile coverage, as critical enabling infrastructure.

B14: Address grid capacity constraints and prepare for future power demand.

B15: Support strategic freight, logistics and transport improvements that reduce congestion and enable growth.

B16: Plan for the water capacity and resilience needed to support growth

B17: Increase the economic value generated by underused strategic transport assets - including Ashford and Ebbsfleet International Railway Stations.

B18: Ensure that businesses can access the right space in the right place.

B19: Use Kent and Medway's infrastructure challenges and future infrastructure needs as a platform for innovation.

Create clearer pathways for SME growth

B20: Develop a shared higher education apprenticeship model that enables SMEs to access skills and talent they could not support individually

B21: Create clearer routes for SMEs to access business support, grants, mentoring and specialist advice.

B22: Establish accessible routes connecting SMEs with innovation expertise, university capabilities and specialist facilities.

B23: Provide enhanced support for SMEs seeking external finance & improve linkages to investors

B24: Create practical mechanisms that enable SMEs to access procurement opportunities and major-sector supply chains.

B25: Give SMEs a stronger voice in cluster development and economic decision-making.

Investible Opportunities

HORTICULTURE SCIENCE + INNOVATION BUILDING: A horticulture science and innovation building at Niab East Malling will deliver an additional 1,000 sqm of specialist laboratory and innovation space within a nationally significant innovation ecosystem. Planning consent is currently being pursued, and delivery is anticipated from early 2027. The facility will provide additional specialist innovation space, expanded research and commercialisation capacity, and support for growth in knowledge-intensive sectors.

TECH@MEDWAY : A phased programme to create 3,642 sqm of teaching, training and research space at the LASE University Group Medway Campus, supporting around 1,000 learners across health, engineering, computing and natural resources. The expanded technical education and simulated clinical training, supporting growth in Medway learner numbers from 1,660 to 1,850 and responding to employer and NHS workforce needs.

KEMSLEY CLUSTER: The Kemsley Industrial Cluster brings together major businesses in energy generation, manufacturing, recycling, waste management and logistics. Partners have developed proposals combining carbon capture, green hydrogen and greater energy and steam integration to support its transition into a low-carbon industrial hub. Further investment could unlock approximately £550 million of capital investment, retain around 1,100 existing jobs, create 400–600 additional jobs and remove more than 500,000 tonnes of CO_2 annually.

SHEERNESS SFRI: Development of a planning-approved rail freight terminal at the Port of Sheerness, integrating deep-water shipping, inland water freight, rail and road within a single logistics hub. This will develop a more efficient and resilient freight gateway serving London and the South East, supporting major housing, infrastructure and energy projects, with wider links across other sectors and supply chains. The terminal is expected to create construction jobs and permanent skilled roles, with each freight train potentially removing around 75 HGV movements from the road network.

LOCAL GROWTH FUND: under development [B4]

SHARED TTO: under development [B6]

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Finlaison House
15-17 Furnival Street
London
EC4A 1AB

020 3865 3082

1 St Peter’s Square
Manchester
M2 3DE

0161 8833736