

**LICHFIELDS**



# Otterpool Park Garden Town Employment Opportunities Study

Shepway District Council

EB 07.30

**Final Report**

March 2018



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# Executive Summary (1)

## This study identifies the range of employment opportunities that could be pursued at Otterpool Park, and frames a strategy and action plan to take this forward

Shepway District Council commissioned Lichfields to prepare an assessment of the potential employment opportunities associated with the development of the Otterpool Park garden town, near Junction 11 of the M20. The study has been prepared in the context of an emerging masterplan for the site, and has had regard to a range of economic, planning and property market factors relevant to strategic planning. The study will help inform the development of a detailed economic strategy for Otterpool Park and also provides evidence to inform the Core Strategy Review. Key findings and implications are set below:

- 1 Otterpool Park provides an opportunity to deliver a step-change within the economic growth trajectory of Shepway District. To maximise the opportunities, its economic role must combine both local functions that support the garden town itself but also delivery of a more strategic employment function which the District currently lacks. The profile and ethos of the garden town will potentially act as a key attractor in some growth sectors. A strategy which seeks a blend of employment opportunities that responds to the evolution and growth of Otterpool Park is likely to be most effective. This means a focus on economic outcomes must underpin the masterplanning, design and construction of Otterpool Park alongside a longer-term perspective on the types of jobs that can be created for both new and existing residents.
- 2 A range of potential growth sectors that could be targeted to drive employment growth have been considered and, in turn, the types of sites and premises to best accommodate the needs of these sectors have been identified. The predominant land/space needs are for advanced manufacturing, a business park, an element of hybrid employment space and dispersed workspace hubs in local centres. These represent types of provision that are, largely, absent from Shepway's current employment land portfolio and will significantly widen the market appeal of the District for inward investment from other parts of Kent and further afield.
- 3 Provision of employment space needs to be structured carefully as part of the masterplanning process, reflecting the different types of space to be provided and their respective (sector) locational drivers. A primary employment district is required which gives profile, sufficient critical mass and access to amenities, but other space can be distributed more widely to ensure walkability and proximity to residential areas. An 'innovation district' type approach is suggested to ensure that Otterpool Park is designed in such a way to reflect changes in working patterns and to align with the garden town ethos. Specific consideration is also required to phasing and how delivery of employment provision is structured to optimise potential and respond to growth over time.
- 4 Based on current masterplan assumptions, it is estimated that Otterpool Park could generate in the order of 6,900 total jobs once fully operational. Approximately 65% of jobs would be within 'B-class' employment sectors, with the remainder in retail, leisure and community sectors. Reflecting this mix, 65% of jobs created would be expected to fall within broadly higher-skilled groups, with 75% potentially being taken up by Shepway residents based on current commuting patterns. This highlights the opportunity presented by Otterpool Park to create a significant number of jobs at a range of skill levels, and which could directly benefit Shepway residents.
- 5 Otterpool Park needs to be underpinned by a clear concept for how future economic drivers will be enabled locally through a series of unique selling points – namely location, sustainability, lifestyle and quality of space. The study identifies that these should be framed in terms of three key themes: (1) super-connected, (2) innovation/place to start and scale-up a business and (3) cluster/centre of excellence. A mix of four critical success factors have been defined as central to realising this potential: branding, incentives, innovation and delivery. These form the basis of a recommended initial action plan – set out overleaf – that provides pointers in terms of next steps, areas for further research and engagement with wider stakeholders that will be required to help deliver the range of economic opportunities outlined in the study.

## Executive Summary (2)

**Otterpool Park will require a clear economic strategy at the outset, building on the initial action plan set out below based on the critical success factors identified**

Critical success factor	Actions	Timeframe	Lead stakeholders
<b>Branding</b>	a Explore options to develop a sub-brand for the employment/commercial element of Otterpool Park in light of USPs which can form the basis of wider marketing at industry events (e.g. MIPIM). Apply in support of g) and h) below.	Short	Shepway DC, Locate in Kent, South East LEP
	b Work with external stakeholders to consider broader place-marketing for Shepway, potentially to form basis for relaunch of Shepway Economic Development Strategy or new Shepway 'Place Prospectus' which links Otterpool Park to other initiatives.	Medium	Shepway DC, Locate in Kent
<b>Innovation</b>	c Scope range of potential local 'sector deals' for Otterpool Park to inform basis of future prioritisation approach, based on engagement with external stakeholders including education institutions, industry organisations and local/regional business groups.	Short-Medium	Shepway DC, Locate in Kent, BEIS
	d In conjunction with c) above, investigate feasibility of potential models/sector focus for a 'Catapult' style facility at Otterpool Park and applicability of LEP/public sector funding.	Short	Shepway DC, Innovate UK
<b>Incentives</b>	e Engage with DCLG regarding potential for Enterprise Zone status at Otterpool Park.	Short	Shepway DC
	f Undertake financial modelling to establish feasibility of development of business rates relief 'zone' for Otterpool Park over 25-30 year appraisal period.	Short-Medium	Shepway DC
<b>Delivery</b>	g Pending completion of masterplan, develop phasing and delivery plan for employment space within Otterpool Park. Identify trajectory for delivery in terms of serviced plots, early phase buildings and land 'safeguarded' for inward investment.	Medium	Shepway DC, landowners
	h In conjunction with g) above, gauge interest from institutional partners/businesses/investors (including existing within Shepway) to provide 'first mover' or anchor status in early phases of masterplan.	Short	Shepway DC
	i Scope out basis for Local Development Order or other simplified planning mechanisms to provide competitive advantage and flexible future planning framework for Otterpool Park (subject to planning permission and future review of Local Plan).	Medium	Shepway DC

# Structure

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# 1. Introduction

## Lichfields was appointed by Shepway District Council to assess the potential employment opportunities that could be delivered at Otterpool Park

### Introduction

Shepway District Council (SDC, “the Council”) commissioned Lichfields to prepare an assessment of the potential employment opportunities that could be available from the development of the Otterpool Park garden town in the vicinity of Junction 11 of the M20 motorway.

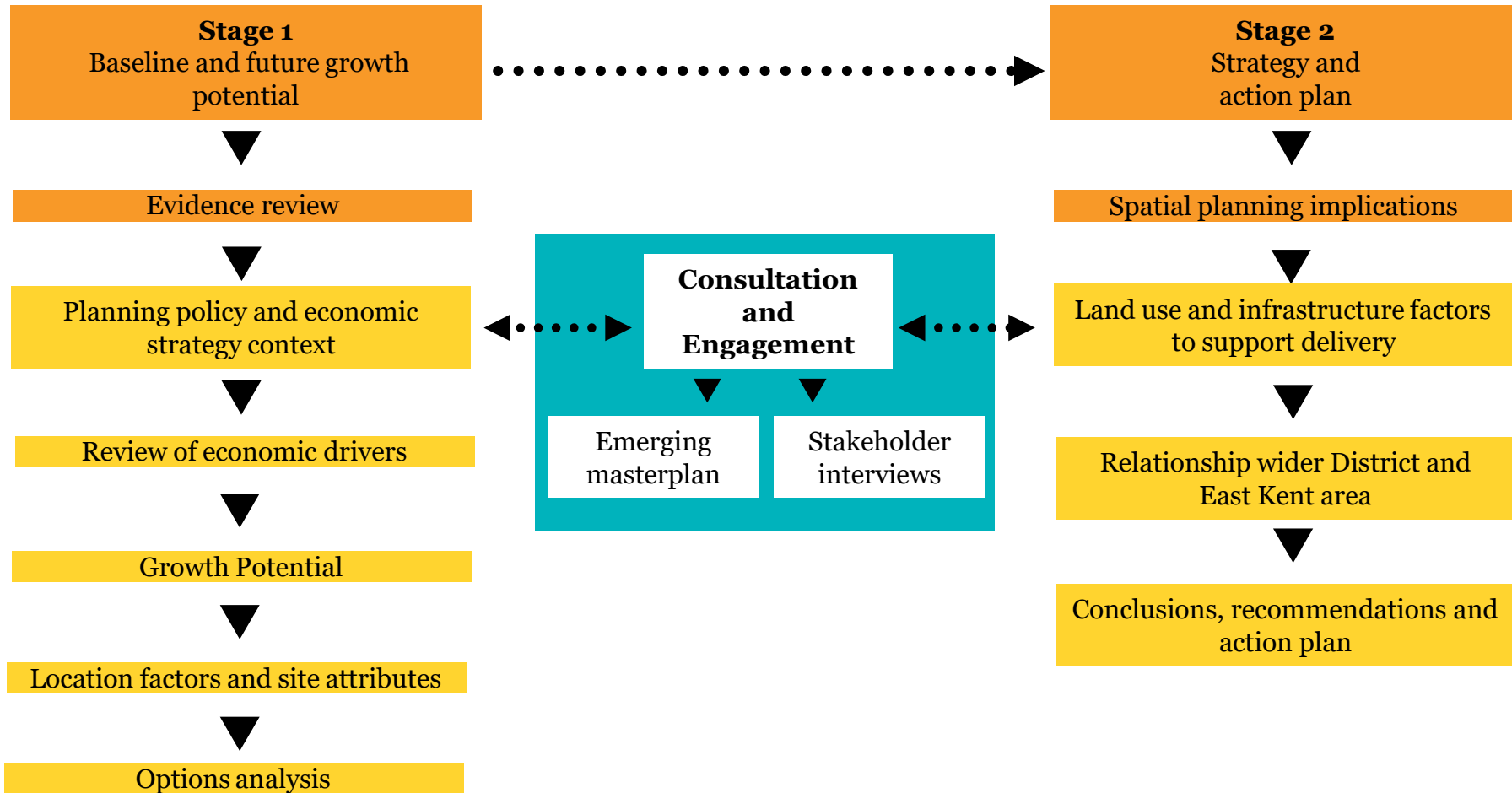
Specific requirements of the brief include:

1. Identifying the scope for employment provision within the area identified for strategic level growth associated with:
  - A new garden settlement of at least 5,500 new homes during the Core Strategy Review period to 2037, and further growth beyond the plan period to provide 8,000-10,000 dwellings (subject to masterplanning).
  - The potential to attract significant new inward investment to the area which will support the aspirations for economic growth set out in the Shepway Economic Development Strategy, as well as what other potential exists for growth in the area around Junction 11 and Westenhanger station associated with a new settlement.
2. Considering the type, nature and sectors of the employment opportunities, including those associated with new and emerging markets, which could be attracted to the area. This should include the potential to attract institutional and public sector service uses.
3. Identifying the features that would make the area more attractive to inward investors, the sectors with particular potential to attract and how these opportunities might translate into Otterpool Park’s USP.
4. Considering the spatial planning implications of the employment opportunities identified and how these should be dealt with in the context of developing the masterplan, including the scale, nature and location of employment provision.
5. Considering the relationship between housing type and employment to ensure the homes meet the needs of prospective employers.
6. Setting out the implications for the following to realise the employment opportunities identified:
  - Infrastructure requirements
  - Public sector interventions
  - Private investment
  - Training and education provision
  - Planning policies for the new settlement
  - Approach towards ad hoc emerging proposals
7. Provide guidance on activities, next steps and a time plan to realise the employment opportunities identified.
8. Consider the impact of realising these opportunities on the rest of Shepway District and wider East Kent area and what actions and measures should be undertaken to mitigate any potentially negative impacts.

The overall methodology for the study is shown overleaf.

# 1. Introduction

The study follows a two-stage approach to define the employment opportunities associated with Otterpool Park and the potential future strategy to support them





# 1. Introduction

## The study provides a long-term strategic perspective based on policy, economic growth and market demand factors, in the context of an emerging masterplan

### Basis of assessment

The purpose of the study is to provide a long-term strategic perspective on policy, economic growth and market demand factors that could support the basis for developing new employment opportunities at Otterpool Park. It is prepared in the context that detailed masterplanning and other technical work is currently in progress, including staged public consultation on the emerging proposals.

Definitive locations and site boundaries are yet to be confirmed, and therefore references in this report to ‘study area’ refer to the general location parameters as set out in the SDC Expression of Interest document submitted to Government.

The assessment draws on a review of existing policy and related evidence base reports, a range of economic and property market data including:

- Office for National Statistics;
- Valuation Office Agency;
- Experian proprietary employment and GVA datasets (2016 base); and
- Locate in Kent inward investment data.

An important consideration for any work of this type is that it is inevitably a point in time assessment. The work has incorporated the latest data, assumptions and other available evidence at the time of preparation. The accuracy of data derived from third party sources have not been checked or verified by Lichfields.

The work will inform the Shepway Core Strategy Review and other strategic planning matters, however it should be noted that the findings of this assessment do not represent formal policy of Shepway District Council and are subject to due statutory processes, including relevant planning and other factors.

### Structure of report

This report is structured as follows:

- Section 2.0 sets out the **context** for the Otterpool Park Garden Town;
- Section 3.0 reviews the **economic drivers** that will influence the future economic role of Otterpool Park;
- Section 4.0 considers specific **spatial considerations** relevant to the economic planning and masterplan for Otterpool Park;
- Section 5.0 analyses the potential **employment generation** that could be supported at Otterpool Park based on the latest masterplan assumptions;
- Section 6.0 sets out a **strategy and action plan** to help frame the future delivery of employment opportunities at Otterpool Park; and
- Overall **conclusions** are set out in Section 7.0.

A list of key reference documents is provided at the end of the report.

Consultation has been undertaken with the Shepway Business Advisory Board, Locate in Kent and the Creative Foundation.

The emerging findings have also been presented to the Otterpool Park Collaboration Board which is part of the formal joint venture agreement between SDC and Cozumel Estates (owners of Folkestone Racecourse). The Council has also shared the draft findings with a number of the District’s neighbouring local authorities.



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## 2. Context

# Otterpool Park is a proposed new garden settlement comprising up to 10,000 new dwellings and jobs close to M20 Junction 11 located in Shepway District, Kent

### Expression of Interest

In response to the Government's prospectus for [Locally-Led Garden Villages, Towns and Cities](#), in June 2016 SDC submitted an [Expression of Interest](#) for a new garden town referred to as Otterpool Park. The proposal is for a new settlement comprising up to 12,000 dwellings and new jobs close to Junction 11 of the M20 and Westenanger railway station. The Minister for Housing and Planning announced on 11 November 2016 that Otterpool Park would be included in the new settlements programme. The Expression of Interest was made without prejudice to any future decisions by the Council in its capacity as local planning authority. The Council is a landowner in the area and is working with another major landowner, Cozumel Estates (owners of Folkestone Racecourse) to prepare a comprehensive masterplan. A [Charter](#) that builds on the high level principles set out in the Expression of Interest was published in late 2017.

The [Core Strategy](#) for Shepway District was adopted in 2013. A [Submission Draft Places and Policies Local Plan](#), which identifies specific small sites for employment and housing in the District, was published for consultation in February 2018. It is expected that the final version will be adopted later in 2018.

Alongside the completion of the Places and Policies Local Plan, SDC is undertaking a partial review of the Core Strategy. The 2017 [Strategic Housing Market Assessment \(SHMA\)](#) identifies an objectively assessed need for additional dwellings. Therefore a strategic review of the opportunities and constraints for growth in the District was commissioned having regard to the need to accommodate additional housing. Accordingly, the Council published the [Shepway Growth Options Study \(Phase 2\)](#) in April 2017. This study identified possible options for future growth to inform a high-level spatial strategy that can provide the basis for new planning policies that will be a central element of the partial review of the 2013 Core Strategy. The study confirmed the suitability of the proposed Otterpool Park garden town location (referred to as 'Area B') for strategic development, including economic development uses, subject to landscape and other mitigation measures. On this basis, the Regulation 18 Consultation draft proposes a new garden settlement of 8,000-10,000 dwellings (5,500 by 2037) and new employment development.

### General Location

The Otterpool Park study area comprises c.700 ha of land located to the west of Shepway District. The towns of Folkestone and Hythe are located to the south east with Ashford to the north west. The site adjoins the M20 and railway line to the north. Four settlements are within the study area. Westenanger to the north where, aside from the castle and station, existing buildings are primarily residential use. Lympne is a residential settlement which lies to the south east of the site and is partially included within the area of search. Barrow Hill and Newingreen are small residential settlements to the north west and east of the site respectively.



Source: SDC Expression of Interest

## 2. Context

**Otterpool Park is highly accessible to existing infrastructure with connections to London, the wider south east and Europe, and established commercial centres**

Otterpool Park is located adjacent to **Junction 11** of the M20, and is currently served by rail services via **Westenhanger** station. The potential for High Speed 1 services to stop at Westenhanger in the future is currently being investigated.

There is an existing commercial space at **Lympe Industrial Estate** which accommodates a range of light industrial and warehousing activities. Local road access to link this site to Junction 11 was completed in 2010. Planning permission also exists for this site to be expanded.

**Hythe** is the closest existing settlement to Otterpool Park and functions as a small service centre. It has a current population of about 20,200 people.



Source: Google Earth /  
Lichfields analysis

The entrance to the **Channel Tunnel** is located at Folkestone, just 4 miles along the M20 from Otterpool Park. The UK's busiest ferry terminal at the **Port of Dover** is also located about 14 miles along the M20 to the east.

**Folkestone** is the largest urban centre close to Otterpool Park, and is the primary commercial centre within Shepway District with a range of existing industrial estates and some town centre office provision. Major regeneration of the harbour area is now underway.

## 2. Context

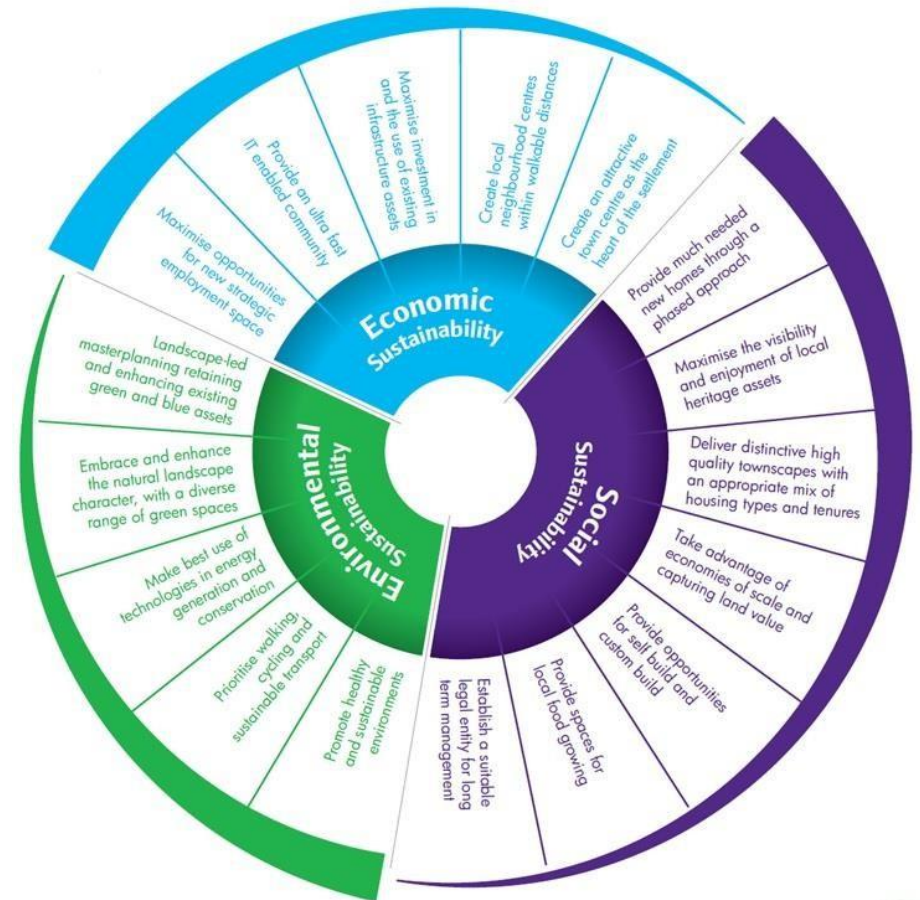
# The 'Development Principles' for Otterpool Park provide a framework for how economic sustainability will be achieved within the Garden Town

### Development Principles

The Council's Expression of Interest set out a number of 'Development Principles' for Otterpool Park. These principles represent the starting point for designing a high quality, sustainable new community. In relation to economic sustainability, this refers to maximising the opportunities for strategic new employment space in close proximity to junction 11 of the M20, and to provide a range of modern employment types and spaces within the new settlement to support a mixed-use community.

The Charter for Otterpool Park, published in late 2017, expands on this as follows:

- A challenging target shall be set at the outset of masterplanning the new settlement for the number of jobs that will be created across the private, public and voluntary sectors for a genuine mix of employment.
- Provision of a range of modern, high quality employment space shall be delivered in appropriate and accessible locations across the new settlement.
- The masterplanning shall identify land suited to accommodating companies operating in growing regional, national and international markets with a capacity to contribute to employment and GVA growth.
- Potential target sectors shall be investigated to support economic activity include green construction, environmental goods and services, advanced manufacturing, creative digital media and business, professional and financial services and other emerging markets.
- An innovation centre or hub that supports business start-ups shall be included in an early phase of the development. This shall provide space to encourage successful businesses to grow.
- The scale of employment space located near the gateway to Europe (Channel Tunnel) will provide a new opportunity to complement the offer at locations such as Folkestone, Hythe and other growth locations across East Kent.



Source: SDC Expression of Interest



## 2. Context

# Existing policy and evidence supports the need to grow and diversify Shepway's economy, and improve the quality of the District's employment land offer

### Shepway Economic Development Strategy

The Council published an [Economic Development Strategy](#) in 2015 which set out ambitions for economic growth in the District for the period to 2020. The key priority is to boost the local economy and increase local job opportunities through a number of actions including increasing the supply and quality of employment land within the District:

1. **Building on existing economic strengths** – promoting key sectors such as financial services, creative industries, business and professional services, transport and logistics, energy, tourism and culture, and advanced manufacturing.
2. **Boosting productivity and supporting business growth** – encouraging more business start-ups, supporting businesses to grow, attracting new businesses and providing infrastructure such as high-speed broadband.
3. **Promoting further investment** – identify and bring forward appropriate sites for commercial development, particularly around the three M20 junctions and within Folkestone Town Centre, encourage new and higher quality employment space, maximising use of the Council's property and other resources as well as scope for public sector intervention to help bring forward development sites.
4. **Improving education and skills attainment** – extend the Council's apprenticeship scheme and work with education and training providers to meet employers' needs.

These actions reflect the vision set out in the SDC [Corporate Plan 2017-20](#) which specifically includes an objective to create more jobs within a vibrant local economy. This includes commitments to identifying key sites for future employment opportunities, and encouraging appropriate development and promotion of commercial premises. The Corporate Plan also references the objective to create a new Garden Town at Otterpool Park.

### Shepway Employment Land Review

The latest [Shepway Employment Land Review](#) was produced by Lichfields on behalf of the Council in 2017. This included an assessment of the economic growth needs of the District to 2031 (i.e. the current Core Strategy period), a review of commercial market factors and appraisal of the existing portfolio of sites. Relevant key findings can be summarised as follows:

1. The Shepway economy has recorded relatively strong employment growth over recent years when benchmarked against the regional and national growth levels. This includes buoyant job creation in the District between 2006 and 2016, which represents the first half of the Core Strategy Local Plan period.
2. One of the main strengths of Shepway as a business location relates to its lower business and rental costs compared to other locations in Kent and the wider South East, which brands the District a cost competitive location for occupiers. However, the lower rental values in Shepway also have the opposite effect on speculative developments due to viability issues.
3. Identified weaknesses of the local economy include a lack of good quality commercial space that meet modern occupier needs. This means the District is generally self-contained in terms of local businesses operating in mostly local markets, with few inward investments.
4. A key challenge relates to the delivery of new, modern office space in Shepway that meets the needs of both existing and prospective occupiers in the local market. In the absence of modern office space coming forward in the local market, the risk remains that Folkestone, and the District more widely, would be unable to retain or attract new firms to the District.
5. It will be important to ensure a good range of industrial sites and premises are provided across the District to better support the requirements of local businesses. In the absence of this, there is the risk of the District losing businesses to other locations in Kent due to the existing industrial space not being of the type or quality to meet modern requirements.

## 2. Context

# The Council's Core Strategy Review 2018 proposes a set of new policies to support delivery of a new garden settlement at Otterpool Park

### Shepway Core Strategy Review 2018

As set out above, the development of a new garden settlement provides the opportunity to meet Shepway District's housing needs on a strategic scale, within and beyond the plan period of the Core Strategy Review.

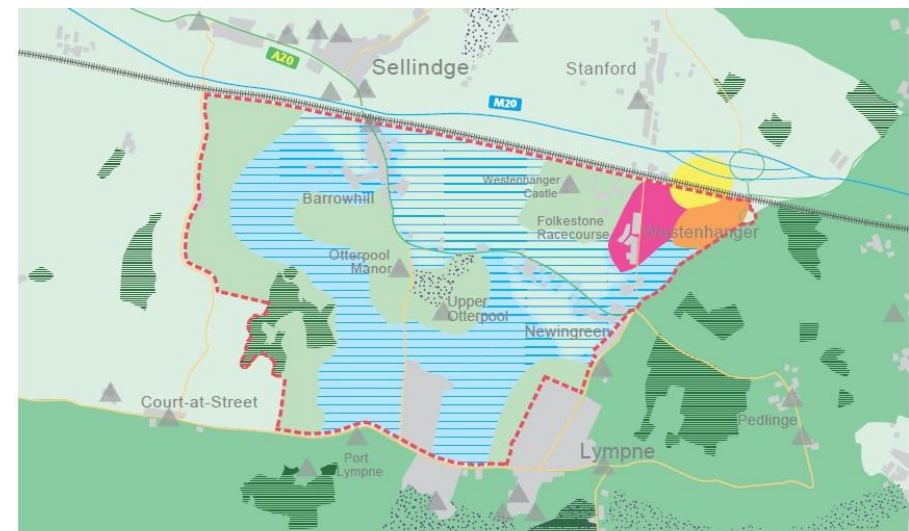
The Core Strategy Review will commence consultation during 2018. Four policies have been developed to guide new strategic scale development in the North Downs Area:

- SS6: New Garden Settlement - Development Requirements;
- SS7: New Garden Settlement - Place Shaping Principles;
- SS8: New Garden Settlement - Sustainability and Healthy New Town Principles; and
- SS9: New Garden Settlement – Infrastructure, Delivery and Management.

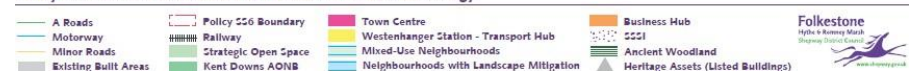
The settlement will be developed on garden town principles and will have a distinctive townscape and outstanding accessible landscape. It will be planned to be sustainable, providing new homes with a broad mix of tenures, employment opportunities and community facilities within easy walking and cycling distance.

The scale of the garden settlement offers the opportunity to create a vibrant local economy, supporting the sustainability of the town, growing new businesses and supporting local suppliers, as well as serving the wider district. To promote this, the Council will provide skills development and apprenticeships, working with local businesses and the construction industry. The garden settlement can offer a unique selling point to businesses, by promoting and delivering innovation, fostering new, emerging and growing sectors well-connected to outstanding infrastructure, the coast and countryside.

Outline planning permission will be granted for a comprehensive proposal that is supported by a masterplan prepared by the site promoters. The masterplan shall be prepared in partnership and in consultation with the local planning authority, stakeholders, partner organisations, local people and interest groups and include a detailed phasing and delivery strategy.



Policy SS6 - Garden Settlement North Downs - Indicative Strategy



Source: Shepway Core Strategy Review 2018

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### 3. Economic drivers: overview

We have identified four key economic drivers that will influence the potential economic role of Otterpool Park

#### Economic drivers

We have identified four key economic drivers that will influence the potential economic role of Otterpool Park, as follows:

- 1. Garden town opportunities** – as a new planned settlement with high sustainability credentials, Otterpool Park represents a unique opportunity to develop a new high-value employment base with specialisms in industries which can benefit from a garden town location, and establish a reputation in the marketplace for high quality sustainable business space.
- 2. Local economy and property market** – the local economy and commercial market within which Otterpool Park could operate and the key trends that will influence the type and scale of employment space that might be delivered.
- 3. Inward investment potential** – as a new location, sources of inward investment are highly relevant to how Otterpool Park may grow and evolve as a location, including the extent to which it may compete with other locations for investment.
- 4. Sector growth opportunities** – as a long term project, Otterpool Park has the opportunity to frame a strategy that is future-facing in terms of advances in technology, research and innovation. In line with the Government’s [Industrial Strategy](#), this can also provide opportunities for driving productivity growth. It is important to understand how Otterpool Park might be able to capitalise on these opportunities.

The remainder of this section provides analysis for each of these four drivers, with an overall synthesis set out at the end of the section.



Source: Lichfields analysis

### 3. Economic drivers: garden town growth opportunities

## Access to a range of employment opportunities was a founding feature of the garden city movement and successive generations of new towns

#### Garden Cities and New Towns

The origins and evolutions of garden towns and cities is set out elsewhere (see for example [New Towns and Garden Cities – Lessons for Tomorrow](#)) and so is not repeated here. Good connectivity and access to employment opportunities has been a guiding principle since Ebenezer Howard’s famous ‘three magnets’ diagram was published in 1909.

The Garden City pioneers aimed to separate housing and industrial areas, but excellent pedestrian and transport links would allow people to walk to work or take public transport. This approach very much shaped the way in which Letchworth Garden City (1903) and Welwyn Garden City (1919) were developed.

Similar principles were applied in the post-war programme of ‘New Towns’. The terms ‘Garden City’ and ‘New Town’ are often used interchangeably. However, there are significant distinctions. Garden Cities were delivered by private, limited-profit development companies with start-up funds at philanthropically low rates of interest; the New Towns by government using Development Corporations devised for the purpose, funded by Treasury loans repayable in due course with interest. The New Towns applied many of the principles of Garden Cities, such as land value capture (with receipts to HM Treasury), comprehensive green infrastructure, a commitment to community development, an emphasis on arts and culture, and employment opportunities for all within easy reach of home. However, the New Towns were developed at a larger scale and a faster rate of delivery.

The New Towns were also designed to be well connected, but the objective of also being ‘self-contained’ in terms of employment and economic life was laid upon many of them. This was a reaction to the possibility of commuter towns or dormitory suburbs being developed, but, in reality, every town has a daily flow of people in and out for various purposes. Many new settlement concepts have failed to fulfil their original economic ambitions, which often draw upon unrealistic assumptions about ‘self-containment’. They also assumed that the offer of plentiful land for industry would support relocations and that the future of work lay in out-of-centre, low density business parks.

Location is therefore critical to the economic role of a garden town. If it is close to a town with an existing economic base and clear economic rationale to grow its stock of businesses (which many locations will choose to do given the ability to retain local business rates), it may not be economically coherent for the garden town to plan for extensive new employment areas. Rather, it should be expected that many economically active residents will be commuting outwards to work - the garden town therefore has a crucial role in supporting growth in the nearby large towns and across the wider functional economic and market area.

However, it is entirely realistic to expect that any garden town will have an employment base consistent with the local ‘consumption-led’ economy of its residents – jobs in schools, local services, retail, leisure – as well as an assumption that it will accommodate other businesses seeking a relevant location, and home-working. The latter depends on scale, proactive planning to attract new investment and ensuring complementary with the wider spatial strategy for a given location.

In this context, the economic strategy for Otterpool Park will need to have regard to:

1. Using construction to provide opportunities for jobs and training for those who will most benefit from the sector’s role providing a gateway to employment.
2. Creating a local employment base, in shops, services, and local business employment to help maximise local sustainability.
3. Developing a clear strategy to attract investment, and support start-up and scale-up business opportunities.
4. Providing good access to other established centres of employment through public transport and good highway access, particularly with a complementary function.

The following pages summarises the economic planning experience at a number of developed and emerging new settlement and urban extension locations.

### 3. Economic drivers: garden town growth opportunities

A review of existing garden towns and new settlements provide some indications for the type of economic strategy that could be pursued at Otterpool Park



#### Alconbury Weald

Alconbury Weald comprises a 575 ha former airfield, with 5,000 dwellings and 8,000 jobs proposed. It is located north-east of Cambridge, at the junction of the A1(M) and A14.

The site will provide 290,000 sq.m of employment floorspace, with 80,000 sq.m in the first phase. Part of the site is a designated Enterprise Zone. The Alconbury Enterprise Campus (see overleaf) provides high quality and flexible business space, with a focus on life sciences, high value manufacturing and advanced engineering. The economic strategy is to focus on the existing sector strengths of the area, including the Cambridge Cluster. The 'EDGE' local business and skills initiative was introduced in 2017 to help businesses recruit and train staff.



#### Bicester

The North West Bicester eco-town received planning permission in 2012, and comprises 6,000 dwellings on the edge of Bicester.

The Masterplan makes provision for circa 4,000 jobs to be created on site. 2,000 at the proposed business park in the South West corner of the site, to be designed in-keeping with the wider eco-development principles. This site was chosen as the most accessible location. 1,000 local service jobs will be generated within the proposed community and business hubs including schools, retail, the health centre and eco-business centre. A further 1,000 home-based jobs with space to enable home working and access to 100Mbps broadband will be supported.



#### Cambourne

Cambourne is a new settlement located 9 miles to the east of Cambridge. Outline planning permission was granted in 1996 for 4,250 dwellings, and a further 2,350 dwellings were approved in 2017.

Employment provision comprises Cambourne Business Park where c. 28,000sq m of office (B1a) space has been developed to date out of the total 70,000sq m proposed in the original masterplan. No B1 floorspace has been built at Cambourne since 2007. There is also some 3,000sq m of office space currently vacant on the business park. The prospects of Cambourne securing large scale B1a or B1b development now appear to be limited given the general lack of demand in this location.



#### Poundbury

Poundbury is an urban extension to the Dorset county town of Dorchester, built on the principles of architecture and urban planning as advocated by The Prince of Wales in 'A Vision of Britain'. Construction commenced in 1993, and is expected to reach 2,200 dwellings by 2025 when the site is fully built out.

The original masterplan was the creation of a mixed-use community. A buffer of B1 office space is designed to ensure no B2 space adjoins residential areas. There are currently 180 businesses based at Poundbury employing 2,000 people. The quality of premises and accommodation ranks highly amongst the reason why businesses have moved or set up within Poundbury (see overleaf).

### 3. Economic drivers: garden town growth opportunities

Existing garden towns and new settlements typically focus on achieving a higher quality type of employment development, but with range and flexibility of uses

#### Case study: Alconbury Enterprise Campus

Alconbury Enterprise Campus lies at the heart of the high quality low carbon development of Alconbury Weald, with Urban&Civic as master-developer. It offers flexible, bespoke business space between 12 – 46,450 sq.m.

The award-winning *Incubator* is the flagship building of the Campus. Designed by international architects Allford Hall Monaghan Morris, it provides flexible inspiring space for small and start-up businesses at the heart of the Alconbury Weald development. The building provides flexible space from 60–350 sq.m for research and development, production and office accommodation. It has been designed with a range of sustainable features to reflect the low carbon aspirations for the whole development.

#### Incubator building, Alconbury Enterprise Campus



Source: Urban&Civic

#### Case study: Poundbury commercial portfolio

Commercial premises are built to meet modern standards, with high BREEAM ratings, plentiful car parking and regular bus service connections to Dorchester town centre. There is a BT fibre optic connection to the site to accelerate IT connectivity. The mixed-use nature of the site supports a variety of everyday facilities close to the commercial premises, including restaurants, cafés, food and wine merchants, hairdressers, medical and other facilities.

Commercial occupiers have the opportunity to procure purpose built premises which conform to the Poundbury Design Guidance. Other premises are built by the major developers and are available to shell or fitted completion. Units vary between 50 sq.m –3,500 sq.m and extend from small workshops, offices and factories.

#### B2 Industrial Unit at Poundbury



Source: Duchy of Cornwall / RS Conibear



### 3. Economic drivers: local economy and property market

**The Shepway economy has grown strongly since 1997 compared to the Kent and regional average, driven mainly in service sector activities**

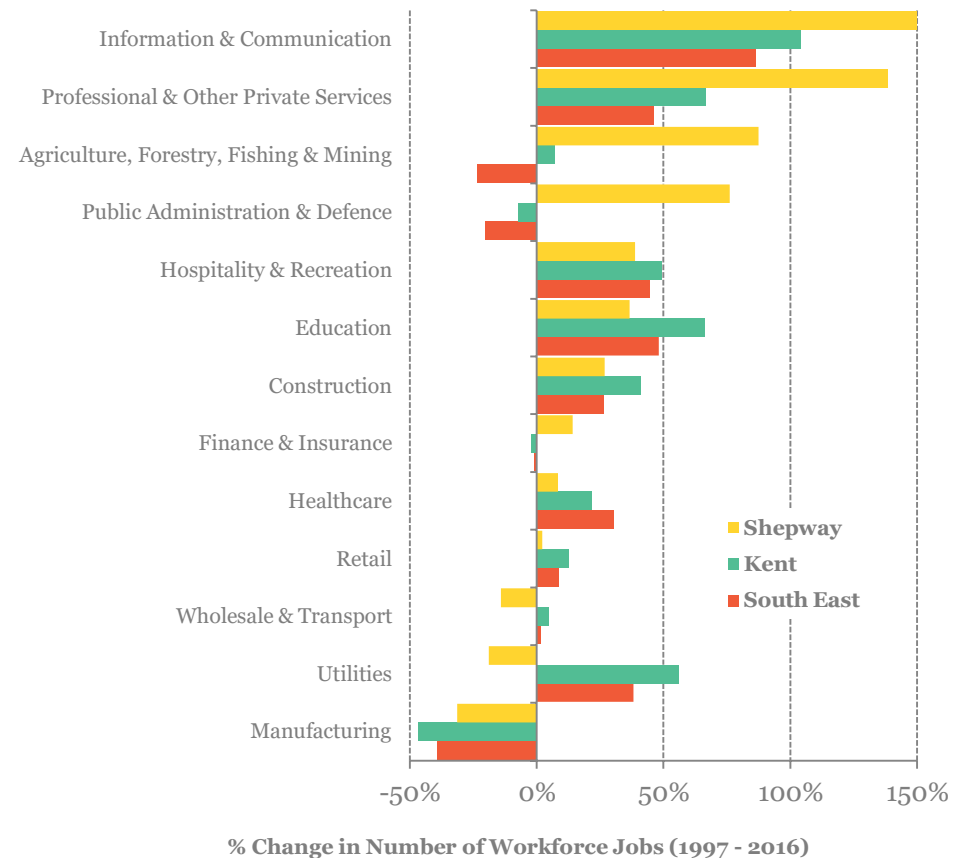
#### Job growth trends

Based on Experian data, Shepway supported around 48,200 jobs in 2016, which represented an employment growth of 27% over the period from 1997. This employment growth was much higher than the growth recorded in Kent (22%), the South East (19%) and the UK (19%).

The current largest employment sectors in Shepway are professional and other private services (22% share of total), healthcare (11%), hospitality and recreation (10%), retail (10%) and wholesale and transport (9%). The education (9%) and public administration and defence sectors (8%) are also important employers.

Employment growth in the District between 1997 and 2016 was mainly driven by professional & other private services (representing growth of 6,100 jobs), public administration & defence (1,600 jobs), hospitality & recreation (1,400 jobs) and education (1,100 jobs). It should be noted that about 67% of the employment growth registered in the professional & other private services sector in Shepway during this period related to the administrative & supportive services sub-sector. The information and communications sector has increased significantly in proportionate terms albeit from a relatively low base, registering growth of 300 jobs over this period.

At the same time, employment losses were recorded in wholesale & transport (representing a loss of 700 jobs), manufacturing (500 jobs) and utilities (300 jobs). However, the decline in manufacturing jobs in Shepway has been proportionately less than Kent and the wider South East over the same period.



Source: Experian (2016) / Lichfields analysis

### 3. Economic drivers: local economy and property market

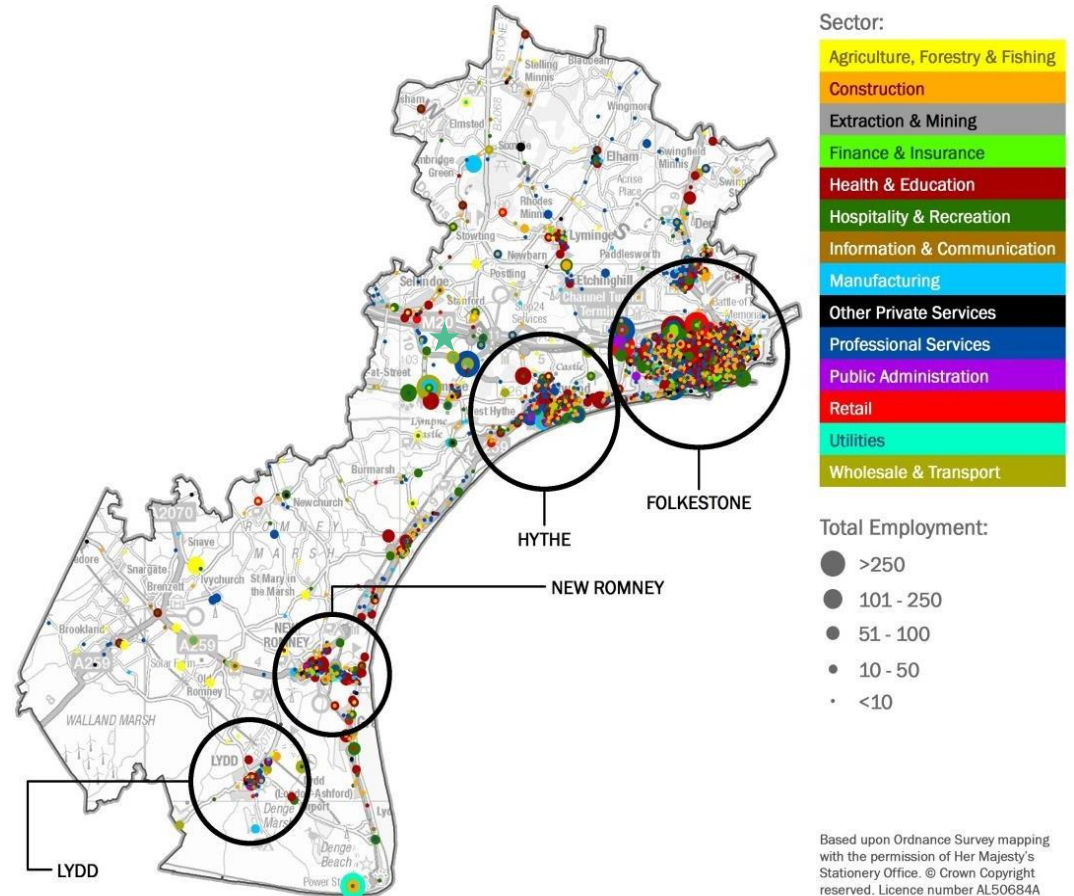
Shepway is dominated by a small-scale business base, mainly concentrated around Folkestone and Hythe and key transport routes including the M20

#### Business base

The local business base in Shepway is characterised as having a similar share of micro firms (0 to 9 workers) and a slightly higher share of small-sized firms (10 to 49) compared to regional and national levels. Shepway also supports a much lower rate of business start-up compared to the regional and national average, although the share of working-age persons in Shepway that are self-employed is slightly higher than in Kent, the South East and Great Britain

Analysis of the District’s business base underlines the significant concentration of business activity in Folkestone, with only smaller business clusters situated outside the town in Hythe, New Romney and Lydd. Folkestone town centre supports a concentration of retail and hospitality & recreation businesses, while also supporting a range of office-based sectors (e.g. professional services, finance & insurance, and public administration & defence). Other large business premises are also found in the main out-of-centre employment areas in Folkestone, including in Park Farm, Shearway Business Park and Cheriton Parc, amongst others. These locations generally benefit from good access to the M20 motorway.

Metric		Shepway	Kent	South East	Great Britain
Business Size (2015)	Micro (0 to 9)	88.5%	89.1%	89.4%	88.7%
	Small (10 to 49)	9.9%	9.0%	8.7%	9.3%
	Medium (50 to 249)	1.5%	1.5%	1.5%	1.6%
	Large (More than 250)	0.3%	0.4%	0.4%	0.4%
Business Births per 10,000 Working-Age Persons (2014)		69	83	93	87
Self-Employment (2015)		13%	11%	12%	10%



Source: Inter Departmental Business Register / Lichfields analysis

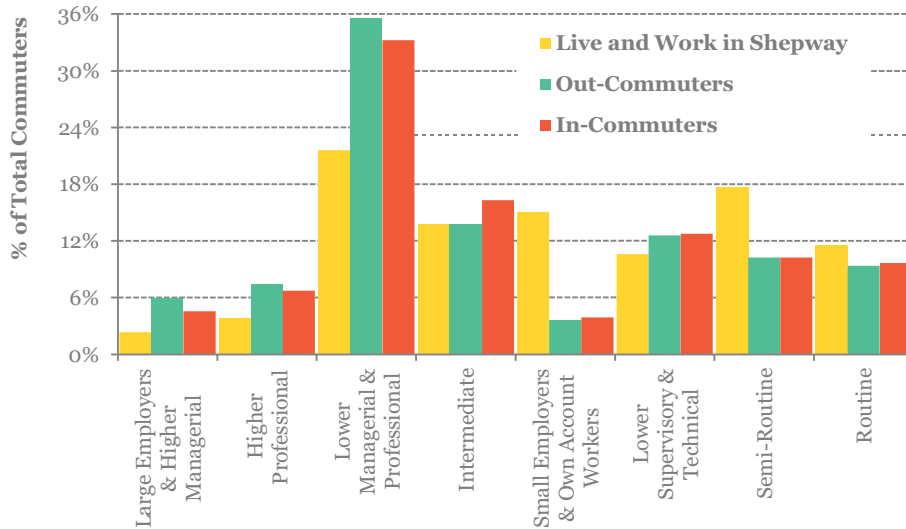


### 3. Economic drivers: local economy and property market

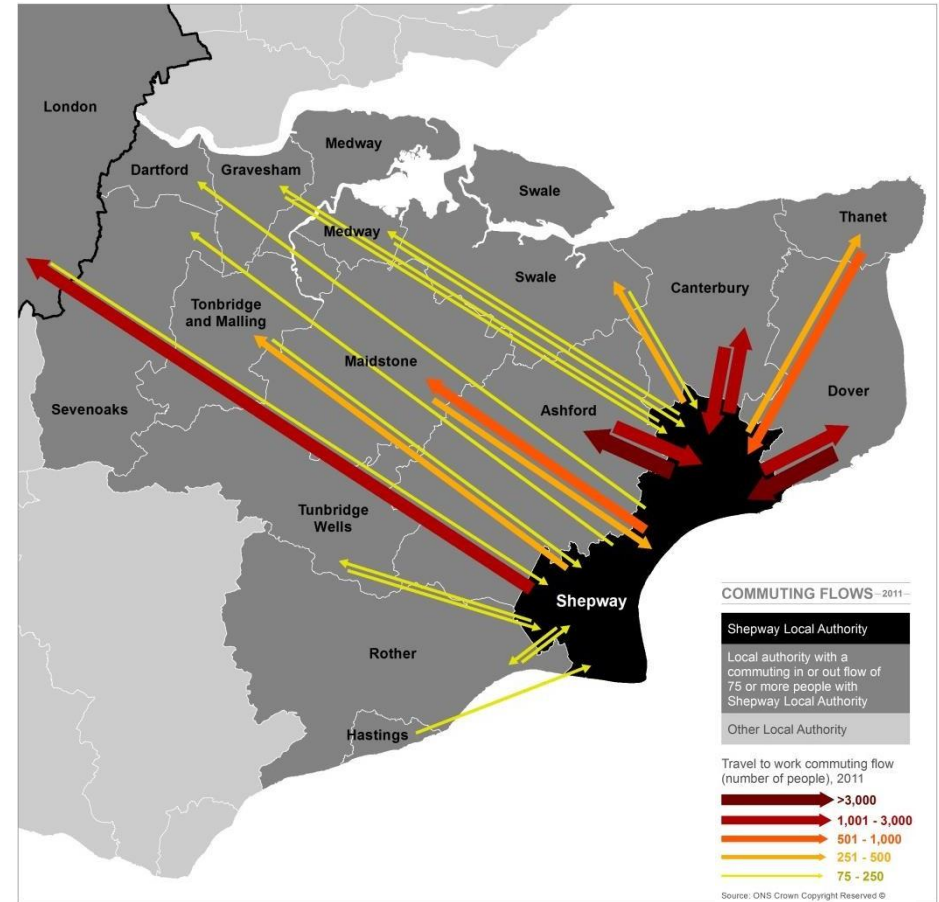
Shepway is a net exporter of labour with commuting linkages to surrounding parts of Kent and also London, however it has a relatively high self-containment rate

#### Commuting patterns

In 2011, around 31% of working residents in Shepway travelled outside the District for their work. The self-containment rate for Shepway (i.e. the share of residents who also work in the District) was therefore equivalent to about 69% in 2011, which is similar to the rate of 70% for the District at the time of the 2001 Census. Shepway's workforce predominately live in the District (68%), Dover (13%), Ashford (8%) and Canterbury (3%). Shepway's residents are mostly employed in the District (69%), Ashford (10%), Dover (5%), Canterbury (4%) and London (4%). Overall, Shepway has a net commuting outflow of 3,920 workers. There was a slightly larger share of residents travelling outside the District for work in higher-skilled roles, as shown below. Growth of higher-skilled jobs locally in Shepway could help retain more out-commuters in higher-skilled occupations.



Source: 2011 Census / Lichfields analysis



Source: 2011 Census / Lichfields analysis



### 3. Economic drivers: local economy and property market

The current stock of employment space in Shepway mainly comprises industrial and warehousing premises, whilst Folkestone is the District's largest office centre

#### Stock of employment space

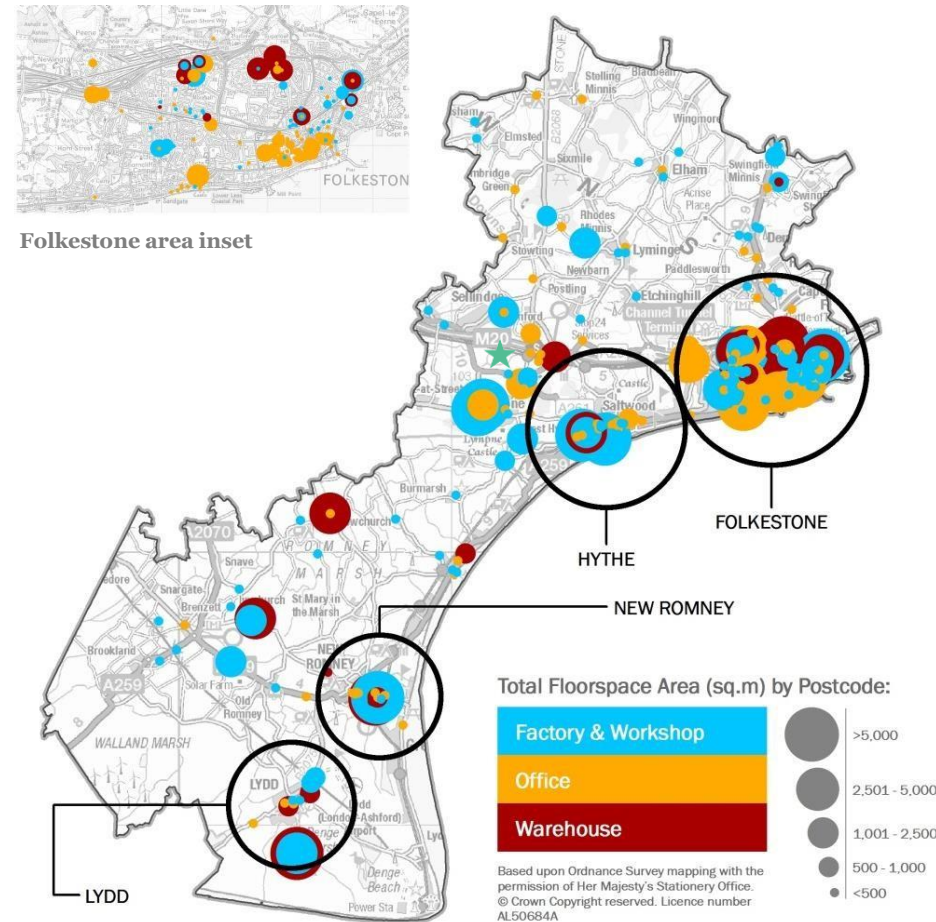
About 80% of employment space in Shepway comprises industrial uses (i.e. manufacturing and distribution), with long term trends indicating a reduction of office space in the District but some growth of industrial space. The combination of these recent development trends has resulted in the overall stock of B class employment space in Shepway only growing very slightly over recent years, and generally at a slower rate than the wider South East.

Industrial space in Shepway is evenly split across factories and warehouses, with the District containing the second smallest stock of factories and the fourth smallest stock of warehouses in the sub-region. Shepway also supports the third largest stock of offices in the sub-region, with Ashford, Canterbury and Dover supporting the largest stock of office and industrial space, reflecting their profile as more established commercial office centres.

Available monitoring data confirms that the net completion of B class employment space in the District has been positive during recent periods, including a net gain of industrial space and a net loss of office space. The level of new development in Shepway was at its highest over the period 2002/03 to 2008/09 with the level of new development falling significantly after this period, which appears to coincide with the onset of the economic recession.

The existing employment space in Shepway is overwhelming focused in Folkestone. Based on the latest available VOA data, it is estimated that around half of all B class employment space in Shepway is supported in and around Folkestone. This includes around 76% of offices, 31% of factories and 60% of warehouses.

Outside Folkestone, approximately 26% of employment space in the District is found in the Hythe area, 17% in the Romney Marsh area and 3% in the North Downs area. Lympne Industrial Estate which forms part of the Otterpool Park study area stands out as a particular focus for larger warehousing uses given the proximity to the M20 corridor, albeit it has been slow to come forward due to distance from Junction 11.



Source: Valuation Office Agency / Lichfields analysis

★ Otterpool Park location

### 3. Economic drivers: local economy and property market

Shepway currently has a relatively localised market reflecting indigenous demand, but with potential to diversify its offer and promote its business credentials

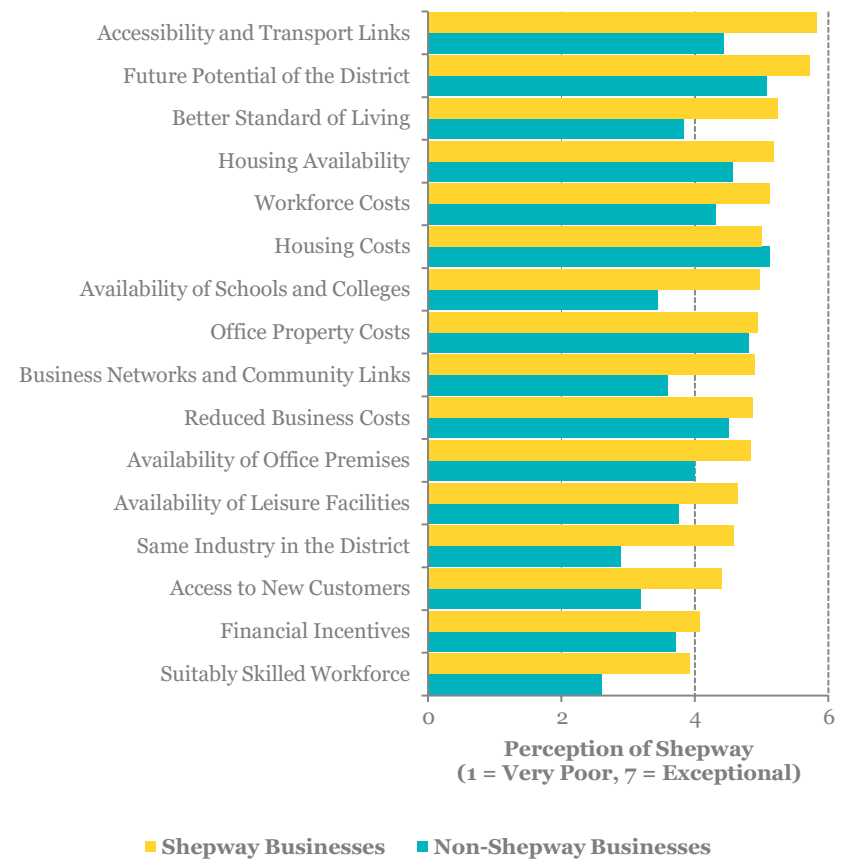
#### Commercial market demand and business perception

Shepway can be characterised as being fairly self-contained in commercial property market terms, with the District comprising three relatively distinct sub-market areas: Folkestone and Hythe, Romney Marsh, and the North Downs. Folkestone is the principal focus for economic activity, benefitting from its strategic location adjacent to the M20 and Channel Tunnel terminal, plus high-speed rail services.

The majority of demand for office and industrial space in Shepway currently comes from local businesses looking for smaller, flexible and higher quality commercial premises, with relatively few enquiries received from potential new entrants to the District. The Creative Quarter in Folkestone has been an important recent stimulus to demand for small workspace and increasing the profile of Folkestone more widely. Beyond this, a lack of new higher quality office and industrial premises has constrained levels of market demand and the District’s ability to attract inward investment. Existing space may also be at risk of conversion to residential uses.

Given the presence of Shepway within the M20 corridor, the town has some commercial property market overlap with Ashford to the west and Dover to the north east. In particular, the feedback from agents consulted as part of the 2017 Employment Land Review indicates that Ashford plays a dominant role in the sub-region in regards to capturing footloose enquires for office and industrial space, which tends to draw many prospective occupiers away from Folkestone. The competitive advantages of Ashford were generally seen to be its good provision of high quality commercial space, excellent transport links and market perception as the principal commercial centre in Kent. However, these are attributes that high quality new employment provision at Otterpool Park could seek to emulate.

Recent surveys by Locate in Kent indicate that Shepway is more highly rated as a business location by existing Shepway businesses compared to non-Shepway businesses. Generally, businesses in Shepway rated the District highest on accessibility & transport links, future potential of the District, a good standard of living, housing availability and low labour costs. This implies that the District needs to be more effective in communicating these advantages to a wider market audience.



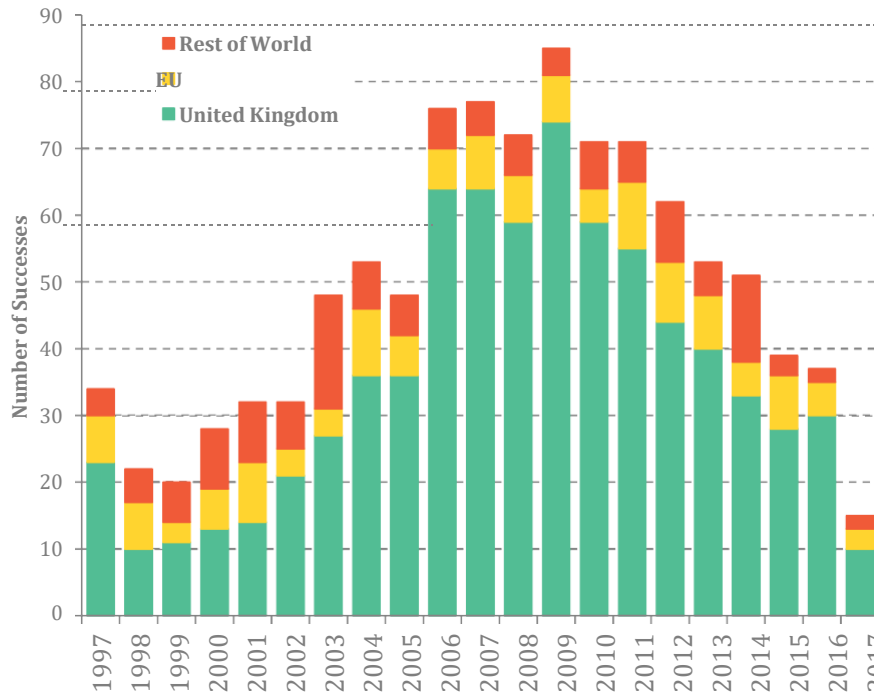
Source: Locate in Kent / Lichfields analysis

### 3. Economic drivers: inward investment potential

**UK domestic investments are the main driver of inward investment in Kent, and generally locations with strategic site supply have attracted most investment**

#### Inward investment successes by origin

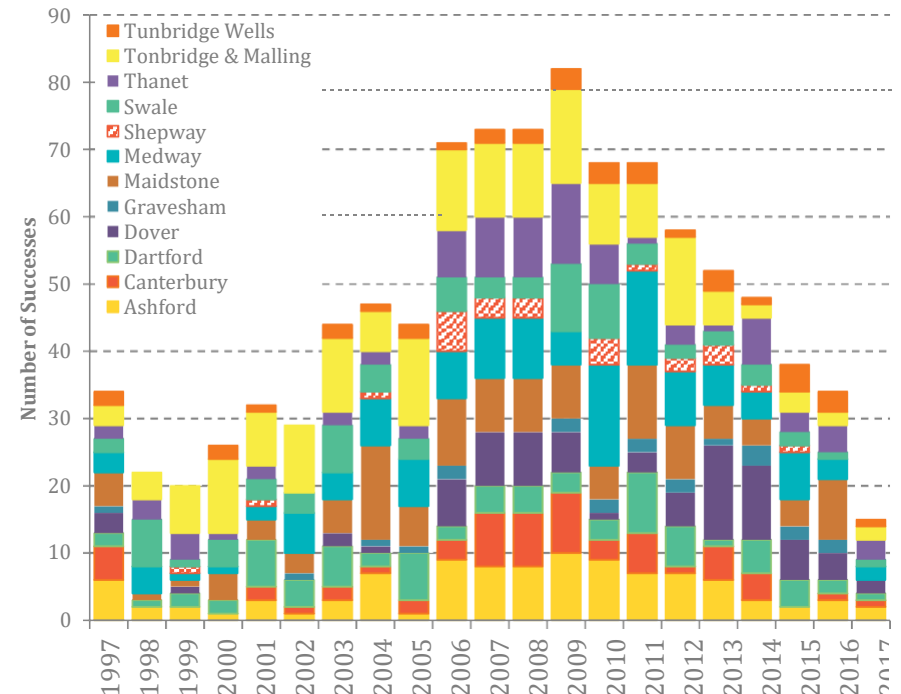
The volume of inward investment successes (i.e. new or relocated businesses in Kent) within Kent has increased significantly over the past twenty years, peaking during the 2006-2011 period. Over the total 1,026 successful investments in the County since 1997, the majority of these have been based on UK domestic investment which has accounted for 73% of all successful investments, followed by Rest of World (13%) and the European Union (13%).



Source: Locate in Kent / Lichfields analysis

#### Inward investment successes by destination

The leading destination for successful inward investment in Kent since 1997 has been Tonbridge & Malling, accounting for 17% of placements. This is followed by Medway (13%), Maidstone (12%) and Ashford (10%). These districts generally have greater availability of large scale employment land. Shepway recorded 3% of total successes (27 investments), the second lowest after Gravesham. This reflects the gap in the Shepway employment site portfolio noted previously.



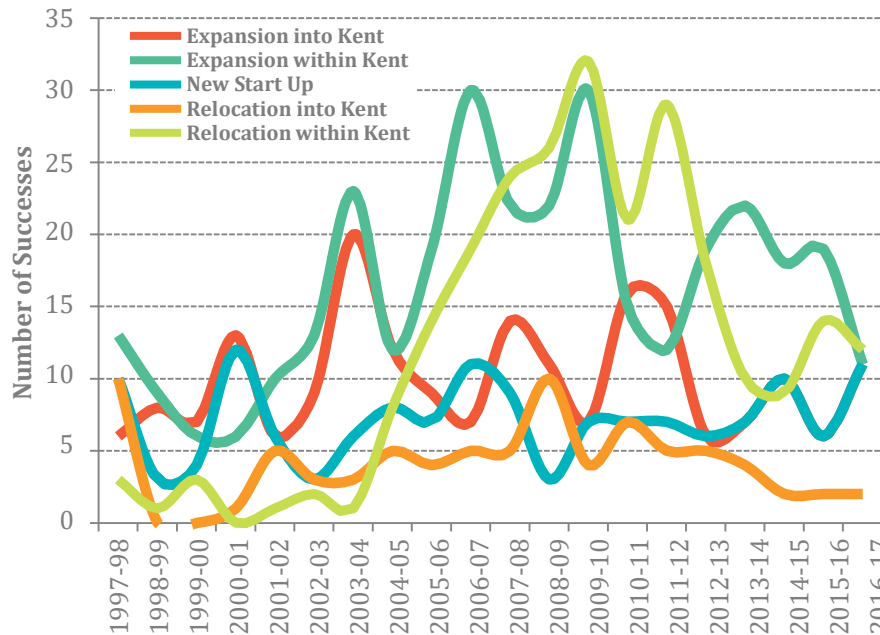
Source: Locate in Kent / Lichfields analysis

### 3. Economic drivers: inward investment potential

## Most recent inward investments in Kent reflect expansion or relocation of existing businesses, mainly business services, ICT and manufacturing

#### Inward investment successes by type

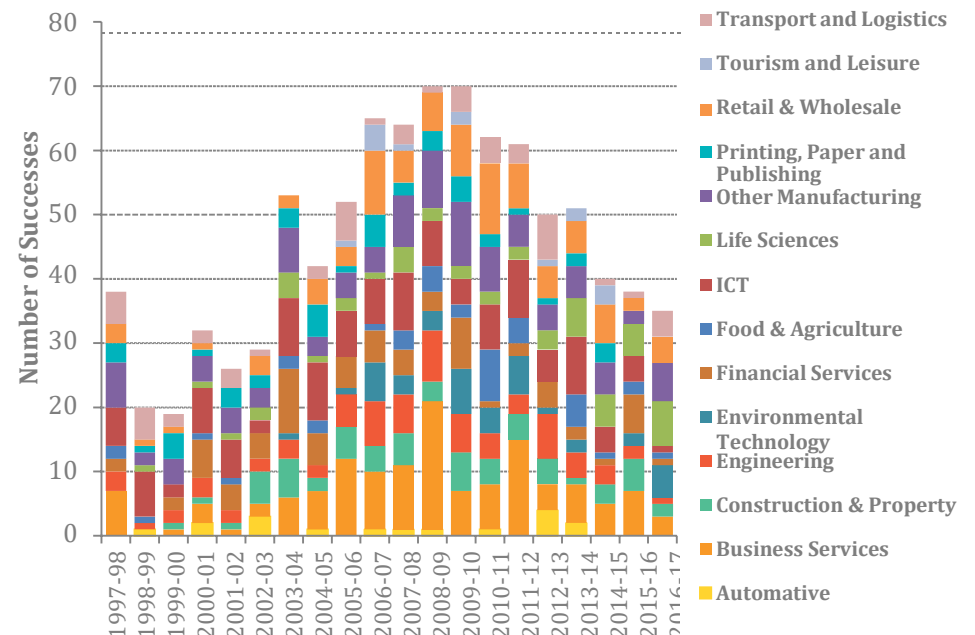
Reflecting the majority UK domestic origin of successful investments, the main drivers of investment have been the expansion of existing businesses within Kent (32%), and since the 2003-04, the relocation of businesses within Kent (24%). The former was the main driver of investments in Shepway over this period. This indicates that meeting the expansion needs of existing Kent-based businesses is an important potential source of investment for Otterpool Park, and particularly providing relocation opportunities for businesses currently occupying sub-optimal or constrained sites.



Source: Locate in Kent / Lichfields analysis

#### Inward investment successes by sector

The main sectors driving investments in Kent since 1997 have been business services (14%), information and communications technologies (ICT) (13%) and manufacturing (11%). In Shepway more specifically, the main source of investments have been business services (23%), engineering (19%), ICT (12%) and manufacturing (12%). This indicates a broad mix of both service and industrial activities, as well as more specialised sectors such as ICT, environmental technologies and printing and publishing.



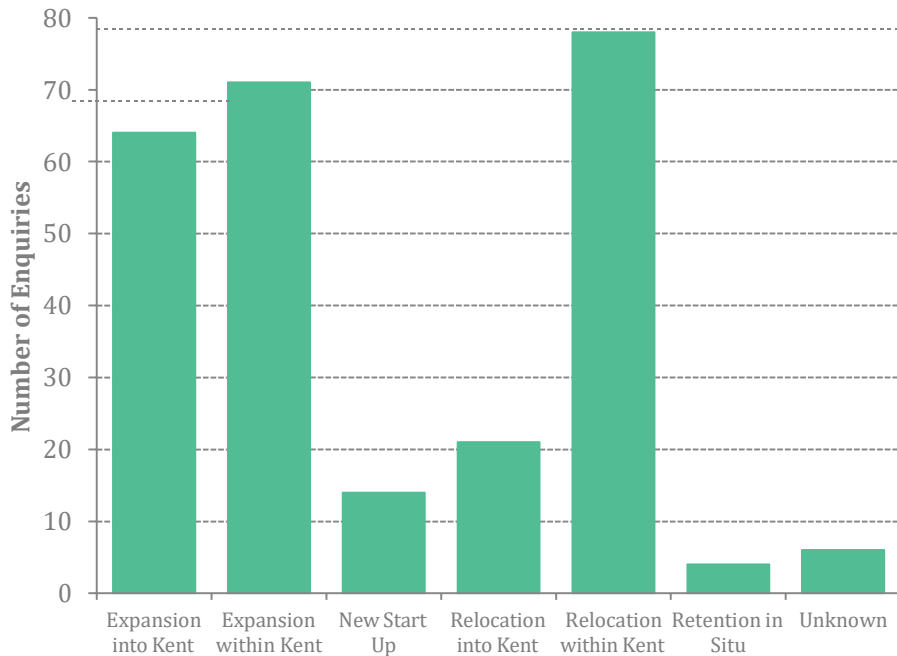
Source: Locate in Kent / Lichfields analysis

### 3. Economic drivers: inward investment potential

#### Pipeline enquiries reflect relocation and expansion opportunities from within the County and from the rest of the UK, across a range of sectors

##### Pipeline enquiries by type

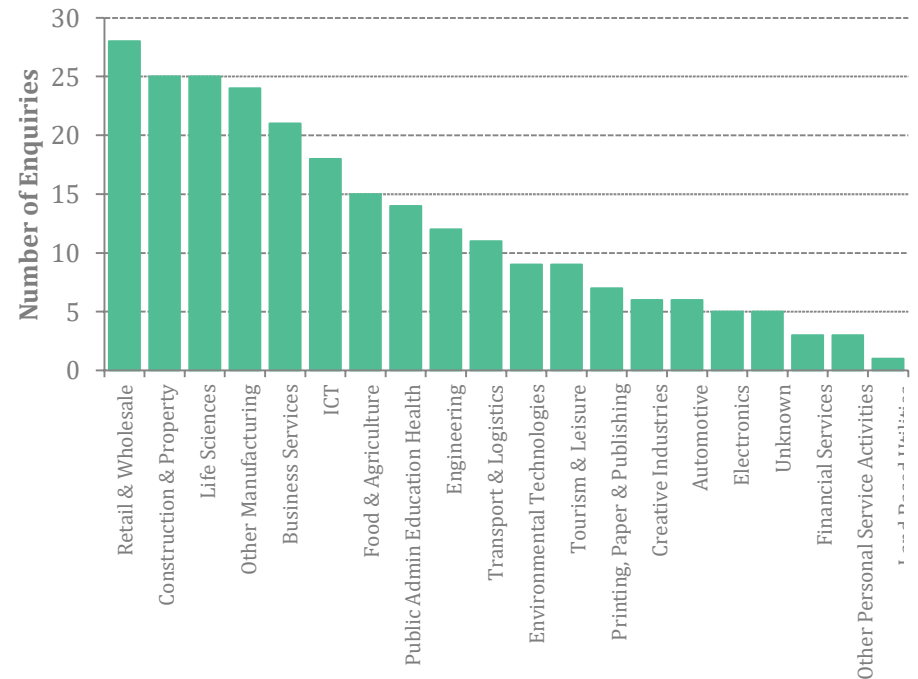
The graph below shows the current pipeline of enquiries held by Locate in Kent by type. It should be noted that this represents a current 'snapshot' and will clearly change over time. Reflecting past trends, this indicates that the majority of enquiries reflect relocations within Kent (30%), expansion within Kent (28%) and expansion into Kent (25%). New business start-ups account for 5% of current enquiries. The total pipeline of over 250 enquiries indicates significant latent potential in the marketplace for sites and premises in Kent.



Source: Locate in Kent / Lichfields analysis

##### Pipeline enquiries by sector

The graph below shows the current pipeline of enquiries held by Locate in Kent by sector. It should be noted that this represents a current 'snapshot' and will clearly change over time. This indicates that the main sectors with current requirements are retail and wholesale (11%), construction and property (10%), life sciences (10%), other manufacturing (10%) and business services (9%). Beyond these, there are however significant numbers of enquiries in more specialist sectors such as ICT, engineering, environmental technologies and creative industries.



Source: Locate in Kent / Lichfields analysis

### 3. Economic drivers: sector growth opportunities

## Five high value growth sectors have been selected as having potential at Otterpool Park reflecting a combination of market, policy and economic drivers

#### Selection criteria for target sectors

As a long term project, Otterpool Park has the opportunity to frame a strategy that is future-facing in terms of responding to advances in technology, research and innovation. It is important to understand how Otterpool Park might be able to capitalise on particular sector opportunities. Sector ‘deals’ identified through the Government’s Industrial Strategy may also become an increasingly important consideration. The following criteria have been applied to identify potential target sectors for more detailed consideration at Otterpool Park:

1. **Potential to service growing regional, national and international markets** in order to capitalise on the potential and locational advantages of a new garden town and to maximise the widest range of opportunities available.
2. **Capacity to contribute to employment and Gross Value Added growth** in order to boost the Shepway local economy as envisaged in the Council’s Corporate Plan and Economic Development Strategy.
3. **Align with national policy and financial support**, for example in terms of the Government’s emerging Industrial Strategy and associated funding mechanisms such as the National Productivity Investment Fund.
4. **Evidence of inward investment track record and/or enquiries** (as reviewed earlier in this section) that provide a potential platform for future growth.
5. **Build on existing strengths within the Shepway local economy** as identified within the Council’s Economic Development Strategy.

The above criteria are not applied with the intention of excluding other sectors with growth potential, but are intended to help identify sectors where the employment strategy at Otterpool Park might be particularly focused to attract and grow business activity, and improve the District’s ability to attract inward investment through provision of better quality employment sites and premises.

#### Potential target sectors

On the basis of these criteria, the following target sectors have been identified and are analysed in more detail on the following pages.

1. Green construction.
2. Low carbon environmental goods and services.
3. Advanced manufacturing.
4. Creative, digital and media.
5. Business, financial and professional services.

A number of these sectors are specifically promoted within the SDC Economic Development Strategy reflecting existing local strengths, including:

- Financial services (including insurance and pensions);
- Creative industries (including media and IT);
- Business and professional services (including engineering-related scientific consultancy and R&D);
- Energy; and
- Advanced manufacturing.

It should also be noted that the Government’s Industrial Strategy White Paper seeks to build on existing sector strengths, improve productivity and increase competitiveness which are typically features of high-growth, high-value sectors.



### 3. Economic drivers: sector growth opportunities

**Green construction is a fast-growing sector for the design and construction of buildings to high environmental standards to minimise energy use and waste**

#### Sector overview

The green construction sector (also referred to as ‘eco’, ‘low-’ and ‘zero-carbon’) describes the use of latest technologies and processes to reduce the environmental footprint of construction and building lifetime impacts. This can apply to both retrofitting of the existing building stock as well as design and build of new homes and commercial premises.

The Government has targeted an 80 per cent reduction in carbon dioxide emissions in the UK by 2050. With 45 per cent of the UK’s total carbon emissions coming from buildings, building and running low carbon buildings is becoming a growing strategic priority. A major driver of this sector during the past decade has been the commitment by subsequent governments to achieving ‘Zero Carbon’ new homes by 2016 and new non-domestic buildings by 2019. Whilst the specific target was cancelled in 2015, this catalysed innovation in the construction sector which has seen new homes being built to increasingly high environmental standards, and costs falling.

More broadly, the [Construction 2025](#) industrial strategy sets out the vision for UK construction and defines the skills needed to drive change, including for low carbon. The UK is now competing with countries like Germany and Sweden to produce some of the best quality, most efficient, innovative and well-designed new homes in Europe. The most entrepreneurial companies in the industry are in the process of rethinking and re-engineering their business, to become enablers of high-quality, low-cost and low-carbon living. Industry bodies such as the [UK Green Building Council](#) which has over 400 members have been established to promote sustainability across the construction supply chain as well as within the planning of the built environment itself.

#### Opportunities for Otterpool Park

As a garden town, Otterpool Park has the potential to generate significant and long term demand for green construction skills, which should both attract new investment into the area and encourage local construction firms to adapt and develop their expertise and products to meet this demand. The design, build and operation of the garden town provides the opportunity to implement and showcase green construction approaches.

The scale of delivery gives critical mass to support new investment, whilst the phasing of development over time provides the opportunity to build skills and expertise. This could include on-site construction and application of latest technologies to establish a ‘first mover’ advantage which could then be exported to other parts of the UK, thereby ensuring long-term opportunities for firms once Otterpool Park is completed. A major determining factor will be access to the requisite skills base, and the opportunity to establish links with education and training providers, for example the construction skills centre at the Folkestone Campus of East Kent College which has recently been expanded.

#### Green construction definition

There are no fixed statistical definitions of the green construction sector because it forms part of the wider construction sector, albeit there are some overlaps with the Low Carbon and Environmental Goods and Services sector (see overleaf).

The [Construction Leadership Council](#) defines green buildings as those designed and constructed to high environmental standards to minimise energy requirements, reduce water consumption, use materials which are resource efficient and of low environmental impact (e.g. low embodied energy or carbon), reduce wastage, conserve and enhance the natural environment, and safeguard human health and wellbeing. The construction industry has a role to play in consistently designing, constructing and maintaining buildings that deliver these outcomes, providing healthy places for people to live and work.



### 3. Economic drivers: sector growth opportunities

**Low carbon environmental goods and services refer to economic activity across all sectors and supply chains that help address environmental issues**

#### Sector overview

There are many drivers in the move towards a lower carbon economy, primarily climate change but also energy security including the forecast 'peak' in oil production and resource scarcity. Measures will need to be taken to reduce emissions of greenhouse gases and action will need to be taken to adapt to the climate changes which are already unavoidable. The management of the transition to a low carbon, and eventually zero carbon society, while maintaining and improving living standards, is one of the biggest challenges facing the economy and society.

The Low Carbon and Environmental Goods and Services (LCEGS) sector, also known as green or clean-tech industries, captures economic activity across all sectors and supply chains that deal with environmental issues, ranging from traditional pollution clean-up to renewable energy to complex, emerging low carbon and environmental solutions.

The sector as a whole is growing rapidly, placing it in a strong position to access the over £3.4 trillion global market opportunity which exists.

[Research](#) conducted for BIS indicates that the sector comprises 11,550 firms, and employs 460,600 people in the UK. The direct low carbon economy generated £26.2bn in GVA in the UK in 2013, making it five times larger than Aerospace, two and a half times the size of Pharmaceuticals, almost twice as big as Chemicals and equivalent to Food and Drink in GVA terms.

Drivers of future growth in the sector include the scale of construction required for new housebuilding, the 'smart cities' agenda which can form the catalyst for activity particularly for smart energy systems, and opportunities within materials and reprocessing and waste management.

#### Opportunities for Otterpool Park

The LCEGS sector is a major growth sector reflecting Government support and consumer choice. The high sustainability credentials of a garden town could provide a significant focus for these activities.

There is scope for 'smart city' principles relating to energy and waste management to be incorporated within the design of Otterpool Park to test-bed and establish exemplar technologies. This could provide the starting point for small-scale industries which can then grow and export goods and services to other parts of the country.

Shepway has an existing cluster within this sector associated with the Dungeness nuclear power station, but beyond this there is limited existing representation locally. However, there have been over 40 investments in this sector across Kent since 1997 indicating that there is growth potential and with further enquiries in the pipeline.

#### Low carbon, renewable energy and environmental sub-sectors

- Low Carbon: includes additional energy sources; alternative fuel vehicles; alternative fuels; building technologies; carbon capture and storage; carbon finance; energy management; nuclear power.
- Renewable Energy: includes biomass; geothermal; hydro; photovoltaic; wave and tidal; wind; renewable consulting.
- Environmental: includes air pollution; contaminated land; environmental consultancy; environmental monitoring; marine pollution control; noise and vibration control; recovery and recycling; waste management; water supply and treatment.

### 3. Economic drivers: sector growth opportunities

**Advanced manufacturing includes high-research intensive subsectors such as pharmaceuticals, computer and electrical equipment, and engineering activities**

#### Sector overview

The UK's manufacturing sector has undergone a huge transformation over recent decades as the global economy has been remodelled by the rapid rise of emerging economies across the world. The sector has seen the closure of many large firms and a shift towards smaller SME and micro size firms. An increasingly globalised supply chain and rapid technological advancements has led to significant competition from low-cost producers in the last 30 years. This has required UK-based manufacturers to focus on their strengths and taking a more strategic view of their supply chains.

Companies have restructured their operations towards a much greater emphasis on product quality, knowledge, customer collaboration and brand. In many cases this has required a focus on specific areas of the value chain in which companies hold a competitive advantage. The sector's capital intensive nature, international outlook and innovative focus means it has the potential to be a major driver of future economic activity. Deeper automation together with new technologies including new composites, nanotechnologies, 3D printing, sensor technologies, and robotics are acting as a catalyst for the creation of new products, processes and services.

The UK government clearly recognises the importance of Manufacturing to its goal of rebalancing the economy. The Government's Foresight [Future of Manufacturing](#) report reported that manufacturing contributed 10% of GDP in 2012 and has grown in productivity faster than the UK as a whole. Manufacturing businesses are more likely to engage in R&D and are more likely to innovate than other sectors, leading to future growth. The sector is responsible for over half (53%) of all UK exports.

#### Opportunities for Otterpool Park

Shepway already has an established industrial sector, albeit one which has been declining over recent years (following broader national trends) and has lacked significant new investment. There is a general shortage of high quality industrial premises in Kent, particularly design and build opportunities for specific businesses wanting to invest in bespoke facilities (more common for advanced manufacturing operations). There is also a general trend of industrial activities being displaced from more constrained and expensive locations such as Greater London, whilst draft London Plan policies envisage [substitution](#) of industrial uses to the Wider South East.

There have been over 100 investments in this sector across Kent since 1997 indicating that there is growth potential and with further enquiries in the pipeline. Otterpool Park could be well positioned to respond to these requirements, and there are potential links with the District's existing industrial base. Incentives could be provided by fiscal incentives such as business rates relief to attract occupiers in what is a competitive market which is also being targeted by other locations in East Kent. Availability of a sufficient skills base is also likely to be a pre-requisite and will require links to be established with education and training providers.

#### Advanced manufacturing SIC codes

20. Manufacture of chemicals and chemical products; 21. Manufacture of basic pharmaceutical products and pharmaceutical preparations; 26. Manufacture of computer, electronic and optical products; 27. Manufacture of electrical equipment (electronics); 28. Manufacture of machinery and equipment not elsewhere classified (automotive); 29. Manufacture of motor vehicles, trailers and semi-trailers (automotive); 30. Manufacture of other transport equipment (aerospace etc.); 33. Repair and installation of machinery and equipment; 325. Manufacture of medical and dental instruments and supplies; 7112. Engineering activities and related technical consultancy.

### 3. Economic drivers: sector growth opportunities

**Creative, digital and media sectors are characterised by wealth and job creation through the generation and exploitation of intellectual property**

#### Sector overview

The creative, digital and media sector is high-value, knowledge-intensive, employs highly-skilled people and drives growth and demand across a wide range of sectors. It also plays a critical role in driving forward knowledge-intensive economic growth and many linkages exist between digital and creative sectors and other sectors of the economy, for example advanced manufacturing. The sector is characterised by wealth and job creation through the generation and exploitation of intellectual property.

One of the key features of the digital sub-sector is its ability to disrupt traditional business models give an opportunity to scale up and accelerate business growth across other sectors of the economy. This includes new applications for digital technologies including health, business services, financial services and advanced manufacturing providing significant opportunities for existing and future entrepreneurs. [InnovateUK](#) identified convergence of different media platforms, the capturing and managing of value transactions and new approaches to data, as factors which will significantly affect the sector at a global and UK-wide scale.

All of these trends make digital industries one of the fastest growing sectors in the global economy. For creative industries, increasing demand for content in gaming, film, TV and advertising will lead to increased opportunities for creative production including film, drama and music

Creative and digital sectors are built upon the talent and innovation of their workforce, and many companies involved in the development of creative content and new forms of media place an emphasis on a young and high-skilled workforce.

#### Opportunities for Otterpool Park

Shepway already has existing strengths in creative industries following the establishment of the Creative Quarter in Folkestone. This is mainly focused on arts, media and design companies, but has also now started to see growth of digital companies given the cross-sector linkages. To sustain the sector, Shepway needs to continue to attract highly mobile and sought after young workers and entrepreneurs, in the face of competition from London and some other UK cities. This target market is influenced by the quality of place and the combination of employment opportunities and lifestyle offer.

Otterpool Park could make a significant contribution by combining a high quality location and high-specification broadband connectivity. Flexible business accommodation, with well-designed shared space to promote idea sharing and collaboration, will prove attractive to creative and digital businesses. Otterpool Park could complement the existing offer within the Creative Quarter by providing larger follow-on accommodation for creative and digital scale-ups with good connectivity to Folkestone and London. This could help retain and grow existing businesses, and support supply chain development.

#### Creative, media and digital sub-sectors

- Digital industries: Communications Equipment, Communications Services, Computing and Peripherals, Film/TV Broadcasting, ICT Equipment, Information Processing, Multimedia Communications, Multimedia Publishing, Multimedia Services, Software, Systems Integration, and Vision and Sound Equipment.
- Creative industries: Printing and Publishing, Film and Television Broadcasting, Advertising and Marketing, Creative Arts & Entertainment, Architectural Design, and Photography.

### 3. Economic drivers: sector growth opportunities

**Business, financial and professional services is a broad sector, and one of the largest and fastest growing within the UK economy**

#### Sector overview

Business, finance and professional services is a broad sector encompassing banking and fund management, pensions and insurance, legal and accounting, management consultancy, architectural and engineering consultancy and real estate. It is cross-cutting in nature, providing technical and support services for direct consumption by businesses operating within other sectors.

This comprises one of the largest sectors in the UK economy and is forecast to experience significant future growth. The City of London is one of a handful of financial and professional services powerhouses in the world, along with New York and Tokyo, and London employs nearly half of the total UK workforce in the sector. Whilst London is the driving force, there are significant wider markets, particularly in the South East, which tend to serve local/regional demand rather than necessarily being of national/international importance.

A combination of technology, market trends and competitive forces change the nature of many sector activities in the future. Technology is driving growth in the sector by improving productivity and taking over routine tasks to allow employees to focus on higher value activities. While there are expected to be significant job losses in clerical and administrative positions, forecasts suggest these will be replaced with an emphasis on new higher-skilled occupations. Outsourcing of support services will also be a key market driver, as companies look to reduce costs. There is likely to be a continuing trends of relocations from more expensive regions such as London where back office functions are currently located at a cost premium.

#### Opportunities for Otterpool Park

As noted earlier, business services is the largest sector in the Shepway economy accounting for nearly a quarter of all jobs and has been one of the main generators of jobs over the past two decades. This provides a good base to capitalise upon, albeit there should be an aspiration for representation in higher value segments within the sector. Many of the product and process innovations in the industry are generated through client contracts and within the main centres of large firms, which are typically within London, therefore good rail connectivity is an advantage. In terms of infrastructure requirements, the quality of the transport network alongside sufficient high quality office stock, and ensuring an appropriate housing offer is available to attract and retain professional talent and firms, are all essential in creating the conditions for growth.

#### **Business, financial and professional service sub-sectors**

- **Business Services:** includes the provision of a range of day-to-day office administrative services, as well as ongoing routine business support functions for others, on a contract or fee basis. It includes Rental and Leasing Activities, Security Services, Office Administration and IT Services, and the activities of other Business Support and Membership Organisations.
- **Financial Services:** includes financial service activities such as insurance, reinsurance and pension funding activities, and activities to support Financial Services. This subsector also includes the activities of holding assets, such as activities of holding companies and the activities of trusts and funds.
- **Professional Services:** includes specialised professional, scientific and technical activities. It includes the activities of legal representation, provision of advice and assistance to businesses and other organisations on management issues, the activities of head offices and management consultancy services.

### 3. Economic drivers: sector growth opportunities scorecard

The identified growth sectors blend together those already well established in the local area, with others not well established locally but are growing nationally

Growth sector	Potential to serve growing markets	Capacity to contribute to employment and GVA	Alignment with Govt. policy and funding	Inward investment track record	Builds on existing Shepway strengths
Green construction					
Low carbon environmental goods and services					
Advanced manufacturing					
Creative, digital and media					
Business, finance and professional					

Source: Lichfields analysis

### 3. Economic drivers: synthesis

## The economic potential and function of Otterpool Park will reflect the interface between a number of economic drivers as set out in this section

### Synthesis

The economic potential and function of Otterpool Park will, to varying degrees, reflect the interface between a number of economic drivers as considered in this section. It is important to note that other factors will also be relevant, and also that the economic role of Otterpool Park will develop over time as the garden town is built out and becomes established.

In this context, the key pointers from the preceding analysis in this section can be summarised as follows:

- 1 Access to employment opportunities as part of the overall sustainability mix was a feature of the original garden cities and successive generations of new towns. These typically reflected jobs generated to support the functioning of the settlement, but also the ambition to attract and grow new industries. The implication is that the economic strategy for Otterpool Park will reflect a number of indigenous and exogenous factors, that both serve the consumption needs of the settlement as well as value-generating uses that serve wider markets. Evidence from existing garden towns and new settlements is that they focus on achieving a higher quality type of employment development, but with range and flexibility of uses.
- 2 The Shepway economy has grown relatively strongly during the past two decades, mainly in service sectors. The District has a sizeable and varied business base although start-up rates are lower than average. The majority of working residents work locally, although some more highly qualified residents commute elsewhere. The District's economic performance and ability to diversify has been constrained to some extent by the lack of good quality, deliverable employment sites in accessible locations as well as availability of high quality premises. This is clearly a market gap that Otterpool Park can aim to respond to, and in doing so, help Shepway better compete with other parts of Kent and the wider South East in terms of attracting investment. Suveys underscore accessibility, quality of life and housing costs are key attractors of businesses to Shepway.
- 3 The inward investment market in Kent is generally characterised by the expansion and relocation of existing companies within the County as well as from other parts of the UK. This indicates that meeting the expansion needs of existing Kent-based businesses is an important potential source of investment for Otterpool Park, and particularly providing relocation opportunities for businesses currently occupying sub-optimal or constrained sites. Shepway has attracted investments in business services, engineering, ICT and manufacturing. With a more competitive site and premises offer, the District should be able to more effectively capture enquiries and potentially diversify the sectors that it is able to accommodate.
- 4 A range of high-value, high growth sectors have been identified as having potential at Otterpool Park. These focus on sectors which are growing nationally, have support in the form of government policy and funding, and in some cases where Shepway already has established strengths. In addition, some respond to the particular credentials offered by the guiding principles of creating a garden town at Otterpool Park. These could provide a range of potential employment and business opportunities, but some will require specific investments or interventions as part of the strategy if these are to be realised. They are not mutually exclusive and several could cluster together.
- 5 Taken overall, Otterpool Park provides an opportunity to help deliver a step-change within the economic growth trajectory of Shepway District. To maximise the opportunities, the role must combine both local functions that support the garden town itself but also delivery of a more strategic employment offer which the District currently lacks. The profile and ethos of the garden town will act as a key attractor to investment in some sectors. A strategy which seeks a blend of employment opportunities that responds to the evolution and growth of Otterpool Park is likely to be most effective. This means a focus on economic outcomes must underpin the design and construction of Otterpool Park alongside a longer-term perspective on the types of jobs that can be created for both new and existing residents.





# Structure

- 1 Introduction
- 2 Context
- 3 Economic drivers
- 4 Spatial considerations**
- 5 Employment generation
- 6 Strategy and action plan
- 7 Conclusions

## 4. Spatial considerations

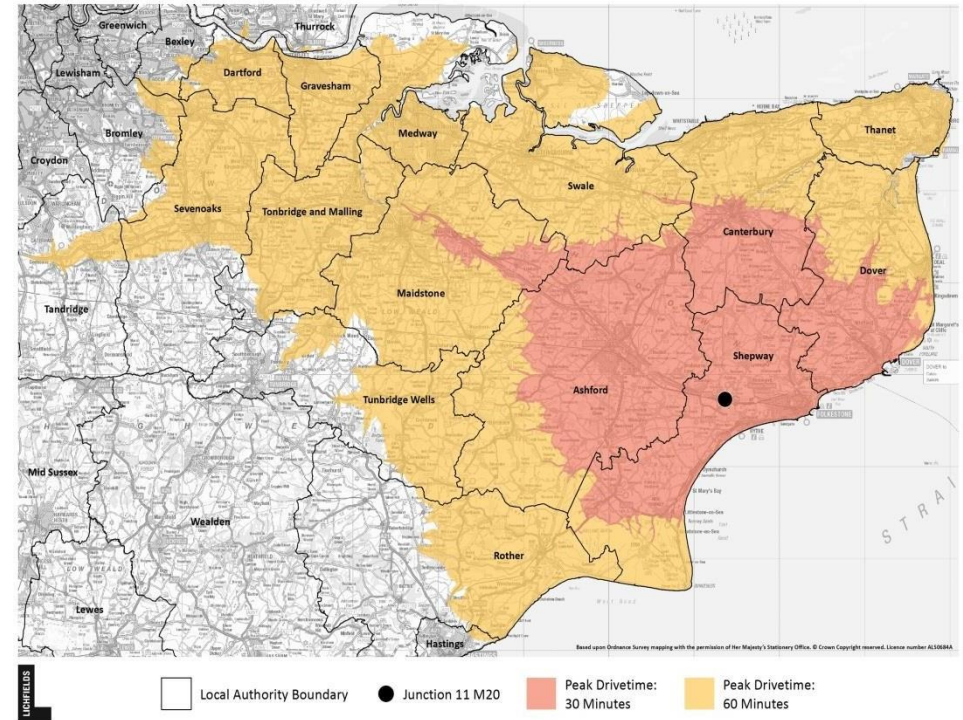
**The strategic accessibility of Otterpool Park provides a strong basis for attracting employment uses, which could be further enhanced with high speed rail services**

### Location and accessibility

As highlighted in section 3.0, a gap in the market exists for new strategic employment provision in Shepway that can accommodate high quality new development and provide the basis for high growth sectors. The location of Otterpool Park close to M20 Junction 11, and relatively close to Folkestone, provides good access to the strategic road network thereby giving efficient access to London/M25 and also to the Port of Dover as shown by drive times. It also ensures good connectivity to other parts of Kent in order to service regional markets such as Ashford and Canterbury. This connectivity is generally absent from the existing employment on the site (Lympne Industrial Estate) which currently has poor local road connections, and the closest current equivalent are existing sites on the edge of Folkestone such as Cheriton Parc and Park Farm which are smaller in scale and more mixed in character.

At present, Westenhanger station is serviced by rail services to London Charing Cross (approximately 1 hour 30 mins) and Folkestone/Dover via South Eastern. The potential for High Speed 1 services to stop at Westenhanger is being investigated which would mean reduced journey times to London St Pancras, potentially in the order of 45 minutes. Proposals for the next franchise period do not include a high speed stop at Westenhanger but this is an objective for the following franchise period, with supported improvements to the station and facilities, such as the need for a car park. This would significantly enhance the attractiveness of the location, particularly for office-based sectors, and raise its profile. Interim [evaluation](#) work undertaken on High Speed 1 for the Department for Transport identified the importance of access to central London (more so than international links) arising from faster rail links, which had led to some evidence of businesses relocating from London either completely or for selected parts of their operations. Feedback from the Creative Foundation indicates that connectivity to London has been an important factor for businesses deciding to locate in Folkestone, particularly for those with business relationships in London.

These strategic accessibility factors give Otterpool Park a strong basis for attracting employment uses.



Source: Experian / Lichfields analysis

## 4. Spatial considerations

### Otterpool Park will need to provide a range of flexible B-class uses, and will expand Shepway's current catchment area including inward investment

#### Catchment area

The existing commercial market in Shepway is relatively localised, and the District has recorded a relatively low share of inward investments compared to other parts of Kent over the past two decades. This partly reflects the nature of the employment site offer that has been available and/or delivery barriers to land coming forward for development in locations of greatest market demand.

The scale, type and profile of new employment space that could be provided at Otterpool Park gives potential to significantly expand Shepway's current catchment area. As a starting point it should give the District a stronger basis for capturing inward investment enquiries that cannot currently be accommodated due to the restricted supply of quality land available for development.

These factors are likely to bring the District into competition with other locations in Kent, and potentially, further afield in the wider South East. This includes locations in relative proximity, for example Ashford, but also other more established sites such as Kings Hill (Tonbridge and Malling) and Discovery Park (Dover). Other than Shearway Business Park in Folkestone (developed out with support from SEEDA during the 2000s), and to a lesser extent Cheriton Parc, Shepway currently does not have availability of strategic employment land of this type which significantly reduces the extent of its commercial property market catchment area.

#### Sector mix and profile

A mix of sectors should be encouraged to support the District's existing strengths but also to support growth and diversification of the local economy. To be viable and attractive to occupiers, Otterpool Park should provide a range of flexible, mixed B class uses (see overleaf) including:

- Light/high tech industrial units;
- Small-scale office/business park space, with capacity for a range of floorplates;
- Plots for bespoke design and build (including temporary facilities during the construction phase); and
- Flexible workspace hubs within residential areas and close to local centres.

Whilst occupiers may be attracted by the highly accessible location, a more targeted site proposition is required for Otterpool Park in order to fully capitalise on the garden town concept and ethos. In particular, this may include developing linkages with university or R&D facilities particularly in those sectors where Shepway does not have established strengths. This type of initiative will also help provide capacity for skills development and training which will be necessary to both attract higher-value uses to the site, but also to ensure that local residents are able to access new job opportunities.

## 4. Spatial considerations: site typologies (1)

**A number of different site/premises typologies can be identified to reflect the potential range of growth sectors that could be accommodated at Otterpool Park**

### Site/premises typologies

The previous section identified a range of potential growth sectors that could be targeted to support employment growth at Otterpool Park. Alongside this, property market feedback indicates that Shepway requires high quality strategic new employment land to diversify its portfolio, particularly in an accessible location. These factors are critical if Otterpool Park is to develop a competitive advantage over other locations and in order to provide the boost to the Shepway economy advocated by Council plans and strategies.

In order to bridge the gap between demand and supply, it will be essential that the right type of site and business accommodation is made available to the market. The table to the right summarises how these growth sector requirements might translate into specific types of employment site requirements.

The types of premises required could potentially vary significantly. However, there are certain typologies of sites and premises with a specific scale, form and environment, which can accommodate many of the needs of these sectors. These include an office/business park, industrial/advanced manufacturing park, mixed employment area and flexible workspace hubs, explored in more detail on the following pages.

Growth sector	Sector needs	Indicative space requirements	Site/premises typology
Green construction	Reasonable links to R&D centres/ institutions Availability of skilled engineering labour Proximity to suppliers	Range of premises - from offices to B2/B8 units with large sites and ancillary office accommodation	<ul style="list-style-type: none"> <li>Industrial/advanced manufacturing park</li> <li>Mixed employment area</li> </ul>
Low carbon environmental goods and services	Reasonable links to R&D centres/ institutions Availability of skilled engineering labour Proximity to suppliers	Range of premises - from offices to B2/B8 units with large sites and ancillary office accommodation	<ul style="list-style-type: none"> <li>Industrial/advanced manufacturing park</li> <li>Mixed employment area</li> </ul>
Advanced manufacturing	Workshops for research and design Testing facilities	Wide range of premises – from small industrial flexible units to high specification B1/B2 units with high office content	<ul style="list-style-type: none"> <li>Industrial/advanced manufacturing park</li> <li>Mixed employment area</li> </ul>
Creative, digital and media	Skilled workers Fast links to London (HS1) Fast broadband access Quality of life/image of location/housing offer	Wide range of premises – high quality offices to small-scale studios, industrial and incubator units	<ul style="list-style-type: none"> <li>Office/business park</li> <li>Mixed employment area</li> <li>Flexible workspace hubs</li> </ul>
Business, financial and professional services	Access to clients/markets Availability of skilled labour High quality transport links and telecommunications Quality of life/housing offer	High quality office space at range of unit / floorspace sizes, requiring large footplates	<ul style="list-style-type: none"> <li>Office/business park</li> <li>Mixed employment area</li> <li>Flexible workspace hubs</li> </ul>

Source: Lichfields analysis



## 4. Spatial considerations: site typologies (2)

The site/premises typologies give an indication of the type of space that could be provided to accommodate growth sector opportunities to Otterpool Park

### Advanced manufacturing industrial park

An advanced manufacturing/industrial park provides space for next-generation manufacturing technologies, combining advancements in data and analytics, robotics and automation, and production methods such 3-D and 4-D printing. Compared to a 'traditional' industrial estate, this type of site contains specialised facilities providing advanced manufacturing companies access to industrial expertise, cutting-edge machines and equipment. This helps to provide an innovative eco-system to attract leading companies, new start-ups and potentially access to higher-education or research and development. An example building is the [Factory 2050](#) in Sheffield which has been designed to be easily reconfigured to allow rapid switching in production between multiple high-value components and one-off parts for customers from a wide range of sectors.

#### Factory 2050, Advanced Manufacturing Research Centre, Sheffield



Source: University of Sheffield

### Office/business park

Changes in working patterns and lifestyle choices are driving rapid growth in city centres. This has presented challenges to the out-of-town business park model defined in the 1980s and 1990s. However, business parks remain attractive to many businesses, and constrained urban locations do not suit all occupiers. They offer large, flexible floor plates, lower average occupancy costs and also provide much needed space where there is limited scope to expand in more central locations. Considerations for next-generation business parks (such as Chiswick Park) include a coherent master plan that integrates sustainability; the scale to provide a viable and diverse offer; complementarity to nearby urban centres; strong transport links or adequate car parking; high build quality and the provision of 'hub' amenities and attractive surrounding environment for staff wellbeing.

#### Chiswick Park, London



Source: Chiswick Park Ltd

## 4. Spatial considerations: site typologies (3)

The site/premises typologies give an indication of the type of space that could be provided to accommodate growth sector opportunities to Otterpool Park

### Hybrid/mixed employment area

A hybrid/mixed employment area blends together office and industrial uses as part of coherent overall design strategy. This reflects that many businesses increasingly require hybrid buildings, which combine office, production and storage facilities in one location. In particular, there may be requirements for bespoke design and build opportunities by individual firms seeking to consolidate their operations to one location. The range of activities and their different scales necessitates integrated sites with good design and ongoing management. This type of site might include elements of the other typologies considered here. A recent example of this approach was adopted at Crossways Business Park in Dartford which juxtaposes a range of different employment uses within a landscaped setting with shared access to central amenities. The site is located on the M25 at Junction 1a.

#### Crossways Business Park, Dartford



Source: Crossways Dartford

### Workspace hubs

Flexible offices and co-working space has been one of the fastest growing segments of the property market during the past decade and projections indicate that it has considerable future growth potential as working patterns change. Driven in part by the growth in the contingent workforce and start-ups, co-working has become a flexible alternative to taking conventional office space. In many co-working spaces, there are forms of open collaboration between individuals from different organisations but with complimentary skill sets. Workspace operators are also using co-working to describe more conventional private office space with breakout areas for occupiers to meet, and work more flexibly. Access to workspace hubs of this type are also appealing to those working remotely or from home because it gives flexible access to a dedicated working environment.

#### WeWork co-working office space



Source: WeWork

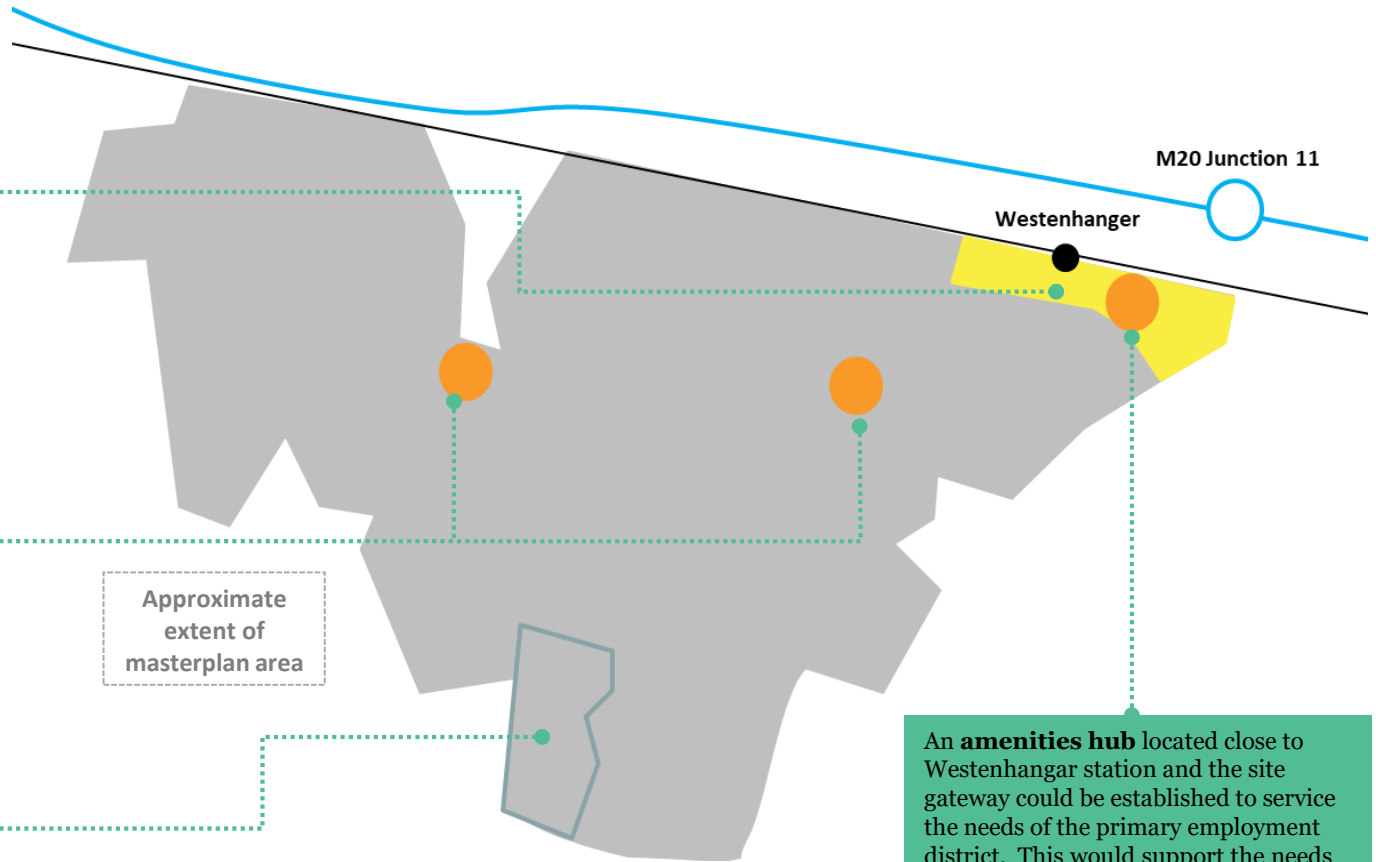
## 4. Spatial considerations: masterplan principles (1)

Employment provision needs to be structured within the masterplan to reflect the different types of space to be provided and their respective locational drivers

The **primary employment district** should be located to maximise ease of access to the M20 and also to provide proximity to Westenhanger rail station which may be served by HS1 services in the future. This part of the site also offers a high profile 'gateway' setting for prestige employment uses. Sufficient scale is required to give critical mass. The emerging masterplan sets a land use budget of c.12 ha for this area.

A network of mixed-use local centres have been identified to provide access to services and amenities within walking distance of new residential neighbourhoods. These could also provide locations for **workspace hubs** designed to cater for home-based businesses and remote-workers, as well as start-up businesses who may not require formal space within the employment district, or can migrate there over time.

There are **existing employment uses** at Lympne Industrial Park which will not be directly impacted by the masterplan. However, these activities will become part of the fabric of Otterpool Park and give added diversity to the offer.



An **amenities hub** located close to Westenhanger station and the site gateway could be established to service the needs of the primary employment district. This would support the needs of workers, and could also accommodate shared facilities such as meeting rooms and co-working space. On-site training and education could also be hosted here.

Source: Lichfields analysis, based on draft masterplan. Indicative and not to scale.



## 4. Spatial considerations: masterplan principles (2)

The masterplan should not be overly prescriptive but accommodate flexibility, responding to phasing and different routes for structuring delivery of space

### Flexibility

Planning for employment space is not an exact science, and business and market needs can change quickly and evolve over time. A key consideration for the masterplan must therefore be to allow flexibility in a number of respects:

- **Change over time** – the economic role of, and market demand for, employment space at Otterpool Park will evolve over time. Occupiers will be attracted as the location becomes more established with a wider range of services and amenities, but also as new businesses start and scale-up. It will be important that a 'ladder' of premises of different sizes and price points is established to allow businesses to expand and be retained within the site.
- **Change between uses** – as noted earlier, there is increasing demand for hybrid spaces that combine different floorspace types and allow for adaptability to change. This means not being overly prescriptive in respect of individual B-classes in both design and planning policy terms.
- **Accommodate temporary uses** – given the long phased construction of Otterpool Park (i.e. 30 years), there will be a need to accommodate temporary uses both relating to construction and other business activities over this period.

### Phasing

It is anticipated that the primary employment district will commence as part of the early phases of Otterpool Park. This will be an important statement of intent regarding the overall mixed-use strategy for Otterpool Park, but also ensuring availability of local employment opportunities to optimise sustainability. However the timescale for progress and completion will be subject to market conditions and occupier demand, as well as the extent of any specific interventions that are brought forward by the Council and other public sector partners. Temporary and affordable workspace solutions could be introduced to help support employment at early stages within the masterplan, for example through 'pop up' style offices/studios in recycled shipping containers.

Workspace hubs within local centres can be constructed in accordance with the phasing of the residential development. A growing population will increase demand for serviced workspace facilities, for those working from home and also start-up businesses.

Example affordable workspaces in shipping containers



Source: The Estate Office Shoreditch

### Structuring delivery

There are a range of potential approaches to support delivery of new employment space at Otterpool Park. Some combination of the following should be considered:

- Provision of plots to accommodate '**design and build**' opportunities to meet bespoke requirements or respond to specific investment opportunities. This approach would be particularly attractive to the market if plots were made available for sale on a freehold basis as there is a general paucity of such opportunities in Kent.
- Provision of **serviced plots** (i.e. with enabling infrastructure) that could give flexibility to accommodate a range of uses and lower the barriers to entry for firms relocating to Otterpool Park.
- Public sector **pump-priming** or cross-subsidisation of uses to support employment development on a speculative basis and to encourage new business start-ups. For example, starter businesses typically require affordable rents and unless there are financial incentives in the early phases it may be difficult to foster these types of business. This may also apply in respect of incubator or managed workspace, which could take the form of a joint venture with a private sector provider.

## 4. Spatial considerations: masterplan principles (3)

### Otterpool Park could incorporate the design ethos of an ‘innovation district’ to provide a distinct employment offer that reflects changing patterns of work

#### An ‘innovation district’ approach

Innovation districts are a design ethos which seeks to move away from sprawling, isolated and single land use business parks, to more compact and mixed use ‘districts’ which cluster entrepreneurs, start-ups, business accelerators and incubators. What differentiates these places from more traditional “industrial estates” constructed within the last 40 years in the UK is that these spaces are easily accessible via public transportation, wired for public Wi-Fi, support mixed use development (housing, business and retail space) all with the aim of nurturing collaboration and knowledge sharing.

This concept is promoted by the internationally-recognised design academics Bruce Katz and Julie Wagner, who report three models on how innovation districts can be created in their report for the Brookings Institute, titled *‘The Rise of Innovation Districts: A New Geography of Innovation in America’*. These reflect how the location preferences of people and firms are changing and reshaping the linkages between the economy, place-making and social networking, as knowledge and innovation become much stronger drivers of growth.

One of the models referred to is urbanised science park, commonly found in suburban and extra-urban areas, is where traditionally isolated, sprawling areas of innovation are urbanizing through increased density and an inclusion of mixed activities. Whilst the report focuses on the North American context, it is considered that the third model ‘urbanised science park’ provides parallels for the Otterpool Park location and context. Key design principles taken from the study, which could be applied in the design of Otterpool Park include:

- Greater concentration of buildings to increase the density of the scheme thereby increasing the number of people within a smaller areas allowing more opportunities for interaction and collaboration. The increased density also reduces the distances between buildings opening up opportunities for pedestrian and cycle journeys within the site consistent with Otterpool Park’s Garden Town ethos.

- Inclusion of a vibrant central amenities hub to provide a focus within the site for networking and to provide for the needs of workers, for example meeting space, café, crèche, electric car charging points etc. These are typical of many of the premier business parks in the South East and Otterpool Park will need to provide equivalent facilities to attract leading businesses and their staff.
- Creating a sense of place – through attention to amenities such as walking paths, cycle paths and green spaces as well as the provision of public spaces (for occasional lectures and gatherings) – to help ‘humanise’ the employment part of the site. Creating a sense of place will be important from the out-set to allow Otterpool Park to develop its own identity, particularly whilst development is brought forward in phases over a 30-year timescale.
- Maximising the connectivity between the primary employment district and the rest of Otterpool Park, as well as other parts of the District such as Folkestone and Hythe. This will help embed the new development within the District and help foster business linkages and supply chains.

Incorporating these type of design elements will not only help to maximise the market appeal of Otterpool Park, but also create a premium environment to support higher values and, in turn, improved viability of commercial development.

## 4. Spatial considerations: relationships with wider Shepway

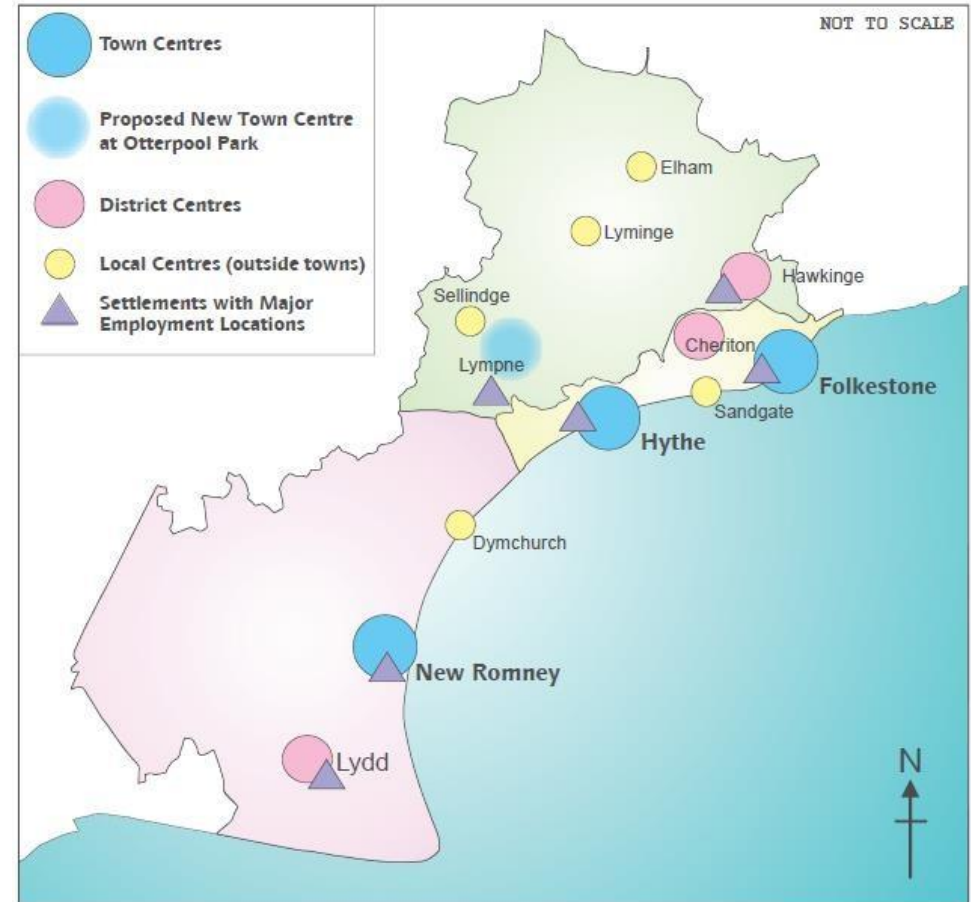
### Otterpool Park will not operate in isolation, and can support the growth of existing Shepway businesses through new land provision and quality employment space

#### Relationship to other settlements

Otterpool Park will not sit in isolation, but will become part of the Shepway functional economic market area and – as noted earlier – with the ability to expand Shepway’s commercial property catchment much further than is the case currently. With a potential population of about 13,000 (assuming 5,500 homes by 2037), Otterpool Park will represent a smaller centre to Folkestone (population 43,000 – the largest town in Shepway) and be similar in scale to Hythe (population 15,000). In employment land terms, assuming that at least 15 ha is provided through the masterplan, Otterpool Park would be smaller than some established employment sites in Folkestone (e.g. Park Farm [28ha], Shearway [21ha]) but would represent one of the largest sources of undeveloped employment land in the District (assuming no other sites are allocated through future local plans).

As noted in section 5.0, some employment growth at Otterpool Park is likely to be driven by indigenous growth arising from the relocation and expansion of existing businesses in Shepway. This may be particularly apparent in the early stages. However, given the current paucity of good quality employment premises and land elsewhere in Shepway as identified by recent evidence, such displacement of activities may be regarded as a form of latent demand from businesses who have previously been operating in sub-optimal space elsewhere in the District. The ability of Otterpool Park through the provision of new employment land to allow these businesses to expand and/or be retained in the District can therefore be regarded as contributing to the strength and resilience of the Shepway economy. In time, as new growth sectors are attracted and business start-ups take place on site, the net additionality of economic demand at Otterpool Park is likely to increase.

Otterpool Park will also play an important role as a service centre for the wider North Downs area and, to a lesser degree, for the Romney Marsh area. In particular, a strategy of workspace hubs and flexible premises will provide opportunities for rural economy businesses seeking to expand, and for home-based businesses looking for occasional access to workspace facilities. Given the relatively small-scale employment provision in Hythe, it is likely that employment space at Otterpool Park could also service business needs arising from this location.



Source: Shepway Core Strategy Review 2018

## 4. Spatial considerations: relationships with wider Kent

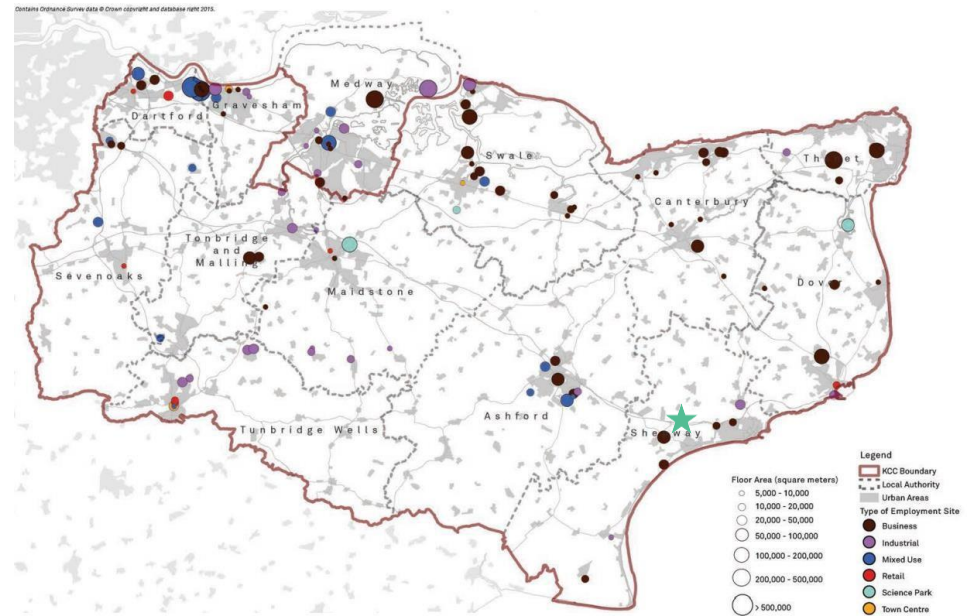
Otterpool Park presents a strategic opportunity that can benefit Kent more widely, both attracting new investment and complementing existing strengths

### Relationship with wider Kent

As noted in section 2.0, given the presence of Shepway within the M20 corridor, the District has some commercial property market overlap with Ashford to the north west and Dover to the north east. In particular, Ashford plays a relatively dominant location in terms of both the office and industrial market, with provision of high quality commercial space and good accessibility. In recent years, new business park sites such as Eureka Park have been brought forward for development in Ashford. Dover's market is more localised and generally industrial in nature, but provides a significant cluster of high quality commercial space at the Discovery Park Enterprise Zone site at Sandwich. More widely, established Kent business locations such as Kings Hill (Tonbridge & Malling) continue to evolve, but these have also been joined by emerging locations focused on life sciences, medicine and technology (for example, Kent Medical Campus near Maidstone).

The strategic employment offer at Otterpool Park could bring about some degree of competition with other established or future employment sites being delivered within Kent, particularly in the case of footloose investment. However, the application of garden town principles at Otterpool Park and the expected focus on the synergy between living and working within the masterplan, will help give Otterpool Park a distinctive offer in the marketplace. In doing so, Otterpool Park will also specifically contribute to the objectives of the [East Kent Growth Framework](#) which include delivery of new business space.

The focus on specific growth sectors as discussed earlier in this section will give added focus to the commercial element of Otterpool Park, and could complement initiatives underway in other parts of Kent. Indeed, Otterpool Park could benefit other parts of Kent by providing a focal point for inward investment that creates supply-chain linkages and induced spending effects for other businesses, as well as facilitating opportunities for commercialisation of the County's existing education, research and development strengths. Otterpool Park will therefore enhance the overall competitiveness of Kent as a business location. It will provide a high-profile commercial offer capable of attracting high growth sectors that can drive new investment, as well as exploiting and expanding upon existing sector strengths.



Source: Kent Growth and Infrastructure Framework

★ Otterpool Park location



# Structure

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## 5. Employment generation: sources of employment

**Employment within Otterpool Park will be driven by a number of sources, derived from indigenous growth, inward investment and also consumption-led**

### Sources of employment

Employment generation at Otterpool Park is likely to be driven by a number of different sources. The main source of employment, particularly in the early phases, is likely to be generated by businesses moving to the site. This could comprise existing local businesses within Shepway which opt to relocate and/or expand at Otterpool Park because it provides new high quality commercial space. This is particularly relevant in the context of the general shortage of good quality employment land supply elsewhere in the District, as noted in section 2.0. Demand could be relatively high, and growing and retaining local businesses within the District would support the economic development strategy.

Employment could also arise from inward investment attracted to Otterpool Park from other parts of Kent and potentially from further afield. This includes those sectors reviewed in section 3.0. The scale of demand will vary, but such growth would strongly support the Council's strategy objectives. Links with further and higher education will be essential not only to help provide skilled workers for new growth sectors, but also to ensure local people are able to access new job opportunities.

The final sources of employment are those generated within the site itself that will increase with the growth of the settlement. These include home-workers and new business start-ups, as well as jobs created in local services to serve the new population.

In addition to the sources of employment noted above, significant employment opportunities will also be created through the construction programme for Otterpool Park. The phased approach to the development of the site will give rise to long-term opportunities and could facilitate career development through facilitation of apprenticeships and training in construction trades.

Employment generator	Main drivers	Likely scale of demand	Potential economic return / strategic fit
Indigenous growth	Relocation and expansion of existing businesses in Shepway	High	High
Inward investment	Businesses moving into Shepway from elsewhere	Rest of Kent = high London/SE = medium International = low	High
Business start-ups	Provision of incubation facilities and flexible space; access to support networks	Medium	High
Home-workers	Accessibility to major centres and digital connectivity; workspace hubs and housing choices	High	Medium
Consumption-led	Growth of local servicing needs (retail, leisure, community etc)	Medium (incremental with growth of settlement)	Low



Source: Lichfields analysis

## 5. Employment generation: operational jobs

The emerging masterplan could provide for 6,900 total operational jobs at Otterpool Park when fully built out, including 4,500 (65%) in B-class sectors

### Operational employment

Estimates of operational employment that could be supported by Otterpool Park on completion have been produced based on the latest emerging masterplan, and with reference to published employment densities and other guidance.

This indicates that, based on current assumptions, that about 4,500 jobs in B-class sectors could be supported. The majority of these would be located within the business park/primary employment district, with the remainder within the workspace hubs in local centres. A further c.2,400 jobs would be generated across a range of other sectors including retail, leisure and community infrastructure.

For context, the total job generation would be equivalent to about 14% of the total number of jobs in Shepway District in 2016.

The masterplan assumes a certain mix of floorspace and employment densities. The actual mix, and inter alia the scale of employment growth, will ultimately depend on the nature of market demand and the particular operational needs of individual businesses that occupy space at Otterpool Park. The employment figures presented are gross estimates with no adjustments to assess net additionality.

Use class	Description	Floorspace (sq.m) / provision	Employment density	Estimated employment
B1a offices	Workspace hubs	10,400	12	870
B1a offices	Business park	40,500	12	3,375
B1c/B2 light industrial	Business park	11,000	47	235
<b>B-class sub-total</b>				<b>4,480</b>
A1 retail		8,400	18	470
A2/A3/A4 business, food and drink		8,400	17	490
C1 hotel		5,600	140	40
C2 residential institutions	Extra care housing	34,000	Estimate	340
D1 community	Primary school	6 schools	40 per school	240
D1 non-residential	Secondary school	2 schools	70 per school	140
D1 non-residential	Nursery	12 nurseries	20 per nursery	240
D1 non-residential	Community centre	6,300	100	60
D1 non-residential	Health centre	9,400	30	310
D2 leisure	Sports halls	6,400	100	60
<b>Total</b>				<b>6,870</b>

Source: Lichfields analysis. Densities based on 2015 HCA Employment Densities Guidance applied to net internal floorspace areas and Kent County Council for community infrastructure categories. Note: totals rounded. Figures are gross with no adjustments made to assess net additionality.

# 5. Employment generation: occupation and skills profile

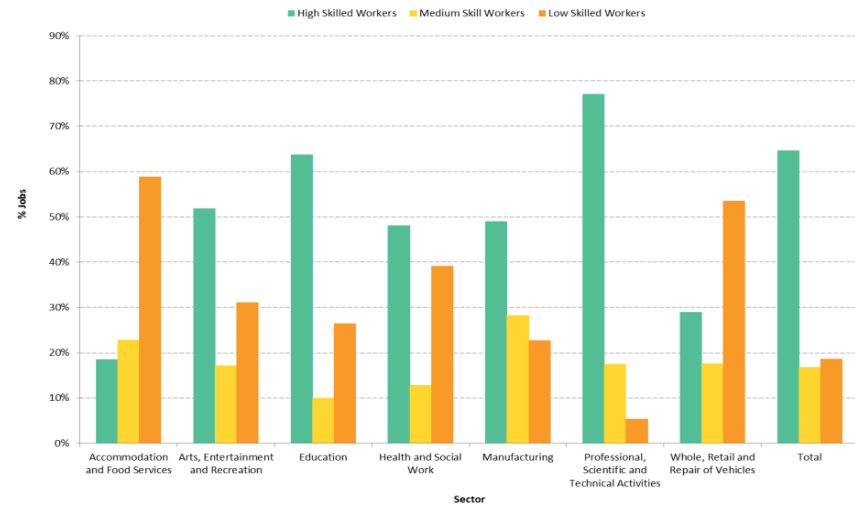
Nearly 65% of jobs at Otterpool Park would be within higher-skilled groups, with 75% potentially being taken up by Shepway residents based on current patterns

## Occupational groups and skills profile

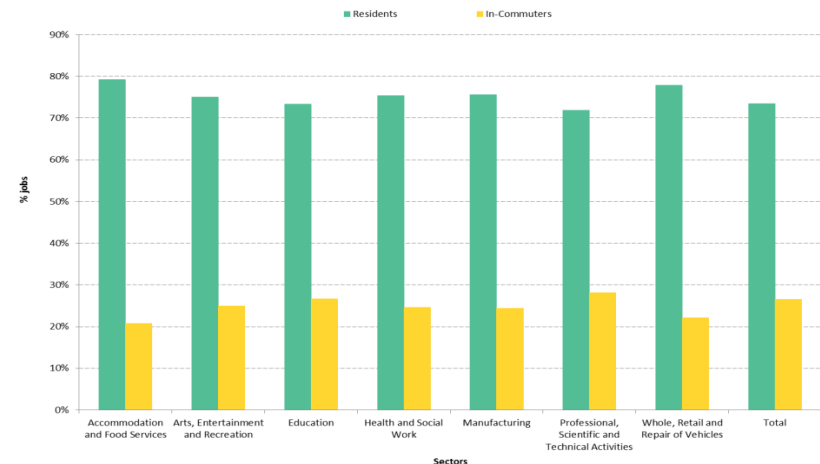
An indicative profile of occupational groups and potential skills requirements for the 6,870 jobs created at Otterpool Park has been considered. The floorspace split set out in the emerging masterplan implies that the majority of jobs are expected to come forward in high value sectors such as professional, scientific and technical activities and manufacturing (61.8% and 3.4% respectively). The other prominent sectors include health and social work and education, which combined may employ 19.3% of all workers in Otterpool Park. Based on analysis of national statistics socio-economic classifications to determine the potential skill level of residents by industry, it is estimated 64.6% of jobs in Otterpool Park will require high-skilled workers. The main driver is the volume of professional, scientific and technical activities jobs (4,245) of which 77% are expected to require higher-level skills. Other sectors such as accommodation and food services and health and social work will generally have a lower overall skill requirement. This indicates that Otterpool Park has the potential to create a range of jobs across different occupational groups and with varying skills requirements, albeit weighted toward higher skilled groups.

## Self-containment of workplace jobs

Initial estimates of how new jobs could be filled at Otterpool Park have been produced based on analysis of Census and Annual Population Survey data for Shepway. These datasets indicate that approximately 75% of all workplace jobs in Shepway are filled by local residents, with the remainder of positions taken by in-commuters from other local authorities. There is some variation in the workplace self-containment rate depending on the sector of the economy. If it were assumed that new jobs provided at Otterpool Park were filled in the same way as currently happens at District level, approximately 5,150 jobs could be taken by local residents in Shepway (all else being equal). Whilst this underlines the range of potential job opportunities that could be created by Otterpool Park, there will also need to be alignment with both housing type and mix, in combination with other training initiatives, to ensure growth of the labour force to match the types of jobs being created. In the absence of this, there is greater risk of jobs being filled by in-commuters from elsewhere.



Source: Lichfields analysis, based on Annual Population Survey data of sectors and standard occupation groups, which are categorised as either high, medium or low skilled.



Source: Lichfields analysis, based on combining the sector skill results with commuting by national statistics socio-economic classifications data from the Census 2001.

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# 6. Strategy and action plan: defining unique selling points

## Otterpool Park needs to be underpinned by a clear concept for how future economic drivers will be enabled locally through a series of unique selling points

### Unique Selling Points

Analysis and consultations undertaken as part of this study have drawn out potential Unique Selling Points (USPs) for the employment element of Otterpool Park, which could differentiate it from competitor developments in Kent and the wider region.

1. **Location** – the primary locational advantage stems from the proximity to a wide range of quality strategic infrastructure including road, rail, Channel Tunnel and (potentially) digital. If HS1 services were to call at Westenhanger this would have a transformational effect. All else being equal, this proximity can be expected to increase demand for business space in terms of access to wider South East and European markets and supply chains.
2. **Sustainability** – the ‘green’ credentials and ethos of the garden town, and how these are translated into the design and operation of the Otterpool Park through the masterplan and building specifications, will:
  - increase the desirability of the development from a Corporate Social Responsibility perspective thus generating demand, and differentiating it from existing commercial stock within Shepway/Kent.
  - as noted in section 3.0, offer the basis to attract and catalyse a range of specific sectors with growth potential.
  - linked to 3 below, contribute to attracting economically active groups and skilled workers who identify positively with this ethos, thereby creating a local base of skilled workers to service high value businesses.
3. **Lifestyle** – access to attractive coastal and countryside environments, set against relative affordability of housing, and access to services and amenities in local centres. These are important advantages in the context of the wider South East housing market, with the potential to attract young people and families to the area. These mobile groups are likely to provide an additional pool of skilled labour and also have a higher propensity for business start-ups.

4. **Quality of space** – existing evidence and consultations indicate that high quality space is in demand but is generally not available or with sufficient certainty of delivery to meet business needs (often reflecting viability barriers or upfront infrastructure barriers). Otterpool Park provides the opportunity to address these factors, and with a focus on the site typologies set out in section 4.0, will represent a distinctive commercial property proposition in the region.

With a clear masterplan and development programme in place, the employment element of Otterpool Park will benefit from the demand that these USPs will confer. These USPs can also be used to frame the economic strategy for Otterpool Park, and Shepway more widely through different place-based themes as set out below.

Theme	Local enablers for Otterpool Park
<b>Super-connected</b>	<ul style="list-style-type: none"> <li>• Strategic accessibility (HS1, Channel Tunnel)</li> <li>• Ultra-fast broadband</li> <li>• Folkestone – Otterpool Park “creative corridor”</li> </ul>
<b>Innovation / place to start and scale-up a business</b>	<ul style="list-style-type: none"> <li>• Affordable incubator/workspace provision</li> <li>• Flexible/move-on space</li> <li>• Access to business mentoring and investor networking</li> <li>• Quality of life (including housing product) to attract skilled workforce, access to coast and countryside</li> </ul>
<b>Cluster / centre of excellence</b>	<ul style="list-style-type: none"> <li>• Anchor tenant / R&amp;D institution</li> <li>• Higher Education ‘sponsor’</li> <li>• Skills and training facility</li> </ul>

Source: Lichfields analysis

## 6. Strategy and action plan: critical success factors (1)

### Four critical success factors have been identified to determine how future employment opportunities at Otterpool Park can most effectively be realised

#### Branding

Otterpool Park will need a clear brand and proposition in the marketplace. The profile of the location (and Shepway more generally) needs to be raised to attract potential inward investors and to enable intermediaries such as the Department for International Trade, Locate in Kent and commercial property agents to support promotion strategies. As noted in section 2.0, the traditional market for investment in Shepway has been generally from elsewhere in Kent and external business perceptions of the District have been less strong. However, Otterpool Park offers significant potential to better communicate the business benefits of locating in Shepway generally, as well as developing a clear sub-brand for the ‘workplace’ offer at Otterpool Park.

Within this context, Otterpool Park needs to be marketed as an exceptional development for businesses and residents, with benefits that are mutually reinforcing. The USPs identified above provide a basis for this, in conjunction with leveraging the credentials associated with the ‘garden town’ brand. The latter is not exclusive to Otterpool Park, but it represents one of the largest proposals of its type and is unique to Kent other than Ebbsfleet Garden City.

A focus on the Otterpool Park brand does not obviate the need to consider the value of wider place-marketing that connects and embeds Otterpool Park within the broader business offer of Shepway and Kent. This may generate greater place and brand recognition. For example, the Folkestone ‘Creative Quarter’ (and associated ‘Triennial’ event) has made a major contribution during the past decade to transform the look and feel of Folkestone town centre, regenerate its economy and change its reputation as a creative town. In future, Folkestone Harbour is likely to have a similar profiling effect. The proximity and connectivity of Otterpool Park with Folkestone, and the potential for an expanded creative cluster (see section 3.0), could support “Greater Folkestone” or “Folkestone Creative Corridor” branding concepts.

#### Innovation

As noted above, innovation will be an important underlying theme for the economic strategy at Otterpool Park. This will help to provide a platform for business growth and an act as an anchor point for attracting higher value and knowledge-based sectors. The Council should investigate the feasibility and location of an innovation centre model at Otterpool Park that links research and development with industry through ‘translational infrastructure’ to provide a business-focused capacity and capability that bridges research and technology commercialisation. This type of initiative was first advocated in the 2010 [Hauser Report](#), and has since been implemented through the network of ‘Catapult’ centres which have been developed across the UK. Each Catapult provides access to expert technical capabilities, equipment, and other resources required to take innovative ideas from concept to reality. They focus on commercialisation, support businesses to access global growth markets, anchor high value jobs and attract inward investment from globally mobile technology businesses. The most successful centres are those that form relationships with academia, small and medium enterprises, government and industry. Such an initiative would be particularly relevant as a focal point for a number of the growth sectors reviewed in section 3.0.

There are currently no Catapult centres established in Kent and, for example, none currently focused on green construction, creative or environmental goods and services. It could form part of a local ‘sector deal’ (as envisaged by the Government’s Industrial Strategy) to provide attract and catalyse particular growth sector opportunities at Otterpool Park. This would likely need to be developed in conjunction with education establishments, for example, there is potential to explore with East Kent College future expansion of its education provision, as well as working in partnership on apprenticeship and skills development programmes. It could be ‘sponsored’ by a research institute or lead tenant to help leverage technical expertise and commercial funding.



## 6. Strategy and action plan: critical success factors (2)

### Four critical success factors have been identified to determine how future employment opportunities at Otterpool Park can most effectively be realised

#### Incentives

The Council should investigate establishing and funding an incentives regime for businesses locating at Otterpool Park, particularly during the early phases of development. Options include establishing an Enterprise Zone (EZ) and use of a targeted business rates relief scheme. An incentives regime could support the wider marketing proposition for Otterpool Park, and could be effective for businesses seeking to expand into larger premises on the site (i.e. where property's rateable value is in excess of the threshold for small business rates relief, currently £15,000) as well as for attracting inward investment.

EZs are geographically defined areas, hosted by Local Enterprise Partnerships in which commercial and industrial businesses can receive incentives to set up or expand. Businesses locating to an Enterprise Zone before 31 March 2018 are entitled to a business rate discount of up to 100% over a five year period (worth up to £275,000 per business) as well as Enhanced Capital Allowances for the purchase of machinery and equipment. Enterprise Zones have also been eligible to apply for the £59 million Local Infrastructure Fund to support enabling works and the £100 million Capital Grant Fund to support infrastructure projects. Local Development Orders (LDOs) can be used to exempt certain development identified in local development documents from the need for planning permission and may focus on specific industrial sectors. Two other EZs operate in Kent at Discovery Park and North Kent, and are being applied at other new settlements (e.g. Alconbury, see section 3.0). Whilst the Government is not currently inviting applications for new EZs, this situation should be kept under review. In any event, some of the elements (e.g. business rates reliefs, LDO) could be progressed without formal EZ status being in place. The Council could exercise its powers under the Localism Act 2011 to establish a business growth incentive rate relief scheme for Otterpool Park. Similar reliefs have been operated by the Council previously.

#### Delivery

A long-term phasing and delivery programme implies that a key differentiator for Otterpool Park should be its ability to give provide a clear trajectory of employment land to meet needs over the short, medium and long-term. Many strategic employment sites in other parts of Kent face barriers to delivery (e.g. infrastructure, viability), but as part of an overall masterplan and infrastructure plan, Otterpool Park should be able to overcome such constraints to a greater degree. This means that Otterpool Park could be better placed to not only meet the immediate space needs of businesses but also provide longer-term capacity for expansion (many firms moved to the original new towns on this basis).

A key influence for delivery will be adopting an expansive and flexible planning policy framework for the employment element of the masterplan so that early proposals are not unduly delayed by the planning process and Otterpool Park can seek to capture 'early wins'. In order to ensure that Otterpool Park can respond to the widest potential range of opportunities, policies should ensure flexibility, for example by providing for a range of B1a/b/c uses. Taken further, as noted in relation to incentives, there is also scope to introduce a Local Development Order (LDO). The benefit would essentially be in relation to expediting the planning process for potential future occupiers, replicating the approach that has been applied to some other major employment sites elsewhere. In essence, it improves the certainty and efficiency of the development management process and would allow Otterpool Park to be more responsive to market requirements as they arise and provide an added competitive advantage for the site. It could also form part of the overall marketing offer for the site. The LDO could incorporate a design code and stipulate other elements such as ancillary facilities that would be supported or environmental performance standards for buildings to ensure that the overall parameters of the Otterpool Park masterplan are adhered to.

## 6. Strategy and action plan: next steps

**Otterpool Park will require a clear economic strategy at the outset, building on the initial action plan set out below based on the critical success factors identified**

Critical success factor	Actions	Timeframe	Lead stakeholders
<b>Branding</b>	a Explore options to develop a sub-brand for the employment/commercial element of Otterpool Park in light of USPs which can form the basis of wider marketing at industry events (e.g. MIPIM). Apply in support of g) and h) below.	Short	Shepway DC, Locate in Kent, South East LEP
	b Work with external stakeholders to consider broader place-marketing for Shepway, potentially to form basis for relaunch of Shepway Economic Development Strategy or new Shepway 'Place Prospectus' which links Otterpool Park to other initiatives.	Medium	Shepway DC, Locate in Kent
<b>Innovation</b>	c Scope range of potential local 'sector deals' for Otterpool Park to inform basis of future prioritisation approach, based on engagement with external stakeholders including education institutions, industry organisations and local/regional business groups.	Short-Medium	Shepway DC, Locate in Kent, BEIS
	d In conjunction with c) above, investigate feasibility of potential models/sector focus for a 'Catapult' style facility at Otterpool Park and applicability of LEP/public sector funding.	Short	Shepway DC, Innovate UK
<b>Incentives</b>	e Engage with DCLG regarding potential for Enterprise Zone status at Otterpool Park.	Short	Shepway DC
	f Undertake financial modelling to establish feasibility of development of business rates relief 'zone' for Otterpool Park over 25-30 year appraisal period.	Short-Medium	Shepway DC
<b>Delivery</b>	g Pending completion of masterplan, develop phasing and delivery plan for employment space within Otterpool Park. Identify trajectory for delivery in terms of serviced plots, early phase buildings and land 'safeguarded' for inward investment.	Medium	Shepway DC, landowners
	h In conjunction with g) above, gauge interest from institutional partners/businesses/investors (including existing within Shepway) to provide 'first mover' or anchor status in early phases of masterplan.	Short	Shepway DC
	i Scope out basis for Local Development Order or other simplified planning mechanisms to provide competitive advantage and flexible future planning framework for Otterpool Park (subject to planning permission and future review of Local Plan).	Medium	Shepway DC

## 6. Strategy and action plan: risk and uncertainty

The potential economic dividend for Shepway arising from Otterpool Park will depend on the interface between wider economy and development outcomes

### Risk and uncertainty

As noted in section 2.0, the potential to deliver ‘step change’ in the Shepway economy and increase job opportunities is an important local policy priority and founding basis for delivering Otterpool Park. However, the commercial and economic success of Otterpool Park – and the economic dividend that it can deliver for Shepway – will to some extent depend on what type of ‘future’ the development finds itself in. There are a wide range of factors beyond the control of the Council, land owners and eventual developer partners which could impact demand and thus delivery. The figure to the right summarises a selection of potential economy/development outcomes and how these may impact delivering a relative economic dividend for Shepway, using a RAG rating of green for positive, amber for neutral and red for negative.

Self-evidently, a future with lower than expected macro-economic growth or in which the scale and rate of investment at Otterpool Park is slower or reduced, would limit the level of demand (and thus the probability of commercial success) and therefore securing greater economic returns for the District. Conversely, a future where macro-economy outcomes are positive (or at least ‘business as usual’), and where Otterpool Park delivers enabling infrastructure and delivery weighted towards early phasing, it may be expected that commercial demand will be stronger and the economic dividend greater. This analysis indicates the importance of putting a clear economic strategy in place at the outset of the development, but also ensuring that Otterpool Park capitalises on the opportunity to bring forward infrastructure and potentially an element of speculative or cross-subsidised development to help establish an economic identity at an early stage.

**Note on Brexit:** this study has been prepared at a time of uncertainty regarding the UK’s future relationship with the European Union post March 2019. Recent [analysis](#) by the Centre for European Studies at Canterbury Christ Church University summarised survey feedback from Kent businesses regarding Brexit’s impact on the economy as highly uncertain, although many businesses indicated that they would seek to use Brexit as an opportunity for growth. This highlights the importance that future trading and regulatory conditions could have on business confidence and investment decisions.

Economic dividend for Shepway

	Step-change	Incremental shift	Status quo
Positive macro-economy	Green	Green	Green
Sufficient infrastructure	Green	Yellow	Yellow
Sufficient housing delivery	Green	Yellow	Yellow
Sufficient skilled labour supply	Green	Yellow	Yellow
Insufficient infrastructure	Yellow	Red	Red
Insufficient housing delivery	Yellow	Red	Red
Insufficient skilled labour supply	Yellow	Red	Red
Negative macro-economy	Yellow	Red	Red

Positive impact
Neutral impact
Negative impact

Source: Lichfields analysis

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## 7. Conclusions

### **This study identifies the range of economic opportunities that could be pursued at Otterpool Park, and frames a strategy and action plan to take this forward**

This study provides an assessment of the potential employment opportunities that could be available from the development of the Otterpool Park garden town. It has been prepared in the context of an emerging masterplan for the site, and has had regard to a range of economic, planning and property market factors relevant to strategic planning. It is not possible to establish exactly, and in detail, the nature and level of demand for new employment space at Otterpool Park which will ultimately be subject to macro-economic conditions, property markets and individual business decisions, but key pointers for a strategy to maximise the potential are set below:

- 1** Otterpool Park provides an opportunity to deliver a step-change within the economic growth trajectory of Shepway District. To maximise the opportunities, its economic role must combine both local functions that support the garden town itself but also delivery of a more strategic employment function which the District currently lacks. The profile and ethos of the garden town will potentially act as a key attractor in some growth sectors. A strategy which seeks a blend of employment opportunities that responds to the evolution and growth of Otterpool Park is likely to be most effective. This means a focus on economic outcomes must underpin the masterplanning, design and construction of Otterpool Park alongside a longer-term perspective on the types of jobs that can be created for both new and existing residents.
- 2** A range of potential growth sectors that could be targeted to drive employment growth have been considered and, in turn, the types of sites and premises to best accommodate the needs of these sectors have been identified. The predominant land/space needs are for advanced manufacturing, a business park, an element of hybrid employment space and dispersed workspace hubs in local centres. These represent types of provision that are, largely, absent from Shepway's current employment land portfolio and will significantly widen the market appeal of the District for inward investment from other parts of Kent and further afield.
- 3** Provision of employment space needs to be structured carefully as part of the masterplanning process, reflecting the different types of space to be provided and their respective (sector) locational drivers. A primary employment district is required which gives profile, sufficient critical mass and access to amenities, but other space can be distributed more widely to ensure walkability and proximity to residential areas. An 'innovation district' type approach is suggested to ensure that Otterpool Park is designed in such a way to reflect changes in working patterns and to align with the garden town ethos. Specific consideration is also required to phasing and how delivery of employment provision is structured to optimise potential and respond to growth over time.
- 4** Based on current masterplan assumptions, it is estimated that Otterpool Park could generate in the order of 6,900 total jobs once fully operational. Approximately 65% of jobs would be within 'B-class' employment sectors, with the remainder in retail, leisure and community sectors. Reflecting this mix, 65% of jobs created would be expected to fall within broadly higher-skilled groups, with 75% potentially being taken up by Shepway residents based on current commuting patterns. This highlights the opportunity presented by Otterpool Park to create a significant number of jobs at a range of skill levels, and which could directly benefit Shepway residents.
- 5** Otterpool Park needs to be underpinned by a clear concept for how future economic drivers will be enabled locally through a series of unique selling points – namely location, sustainability, lifestyle and quality of space. The study identifies that these should be framed in terms of three key themes: (1) super-connected, (2) innovation/place to start and scale-up a business and (3) cluster/centre of excellence. A mix of four critical success factors have been defined as central to realising this potential: branding, incentives, innovation and delivery. These form the basis of an initial action plan that provides pointers in terms of next steps, areas for further research and engagement with wider stakeholders that will be required to help deliver the range of economic opportunities outlined in the study.

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