



# The Investor's Guide to the Gateway



It is estimated that Thames Gateway will boost the UK economy by more than £12 billion each year and create a joined up region that links Kent, Medway and Essex to the global city of London.

# Foreword

by Yvette Cooper, Minister for Housing and Planning



The Thames Gateway is a great place to invest, live and work, it has many investment advantages that include 1.5million people living in thriving local communities, and extensive land holdings for new jobs and homes. It has a unique position between London and Europe and is served by two airports, two international rail stations and will be served by Crossrail when it's completed in 2017.

The Gateway is Western Europe's largest investment and regeneration project and offers huge benefits for businesses moving and growing here. Many key sectors invest in Thames Gateway ranging from business and financial services, ports and logistics to advanced manufacturing.

The 2012 Olympic Games will create a heritage, culture and sporting legacy. It is a place of great potential. The UK is the most successful inward investment location within Europe and Thames Gateway offers a new range of investment opportunities in the UK. Come and see what the Thames Gateway can offer.

A handwritten signature in black ink, appearing to read 'Yvette Cooper'.

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# What is Thames Gateway?

The Thames Gateway stretches for 40 miles along the Thames Estuary from the London Docklands to Southend in Essex and Sheerness in Kent.

Covering approximately 100,000 hectares it takes in parts of South Essex, North Kent, Medway and East London. This uniquely defined region offers the UK an opportunity to expand the global city of London and add more than £12 billion to the UK economy each year.

Three driving forces are defined in our vision for Thames Gateway: nurture a strong economy; improve the quality of life for local communities; and, develop the Gateway as an eco-region.

Through the Thames Gateway Delivery Plan, government has set a series of major targets for the region, which will help public and private sector organisations work together to deliver this vision. By 2016 and by working across all tiers of government and with

the communities in the Gateway, we will achieve:

- 160,000 new homes of all tenures
- At least 225,000 new jobs in a growing economy
- New training opportunities and apprenticeships for 250,000 people
- An enhanced natural and urban environment
- A new regional approach to dealing with the effects of climate change

The conditions and programme management structure required to deliver this hugely ambitious project are in place. Cross Government investment of more than £9 billion over the next three years is defined in the Delivery Plan. This investment, together with new programme management structure will allow people and organisations looking to develop, relocate, expand and invest to find what they're looking for in the Gateway.





## The foundations for a robust economy

Four transformational locations have been identified in Thames Gateway that, because of their size and strategic locations, will become the Gateway's primary economic centres.

### Canary Wharf

The global finance centre at Canary Wharf is the Gateway's foremost economic driver, with its financial and business services employing 90,000 people. Up to 118,000 more jobs will be provided there on four key sites, including in a new 280,000 m<sup>2</sup> commercial and retail scheme designed by Richard Rogers Partnership accommodating 10,000 jobs. Canary Wharf has excellent transport connections through the growing London City Airport, the Jubilee Line and Docklands Light Railway.

Now that decisions have been taken this year on a funding plan and the final route, we expect Crossrail to be completed in 2017. This £16 billion investment will increase rail capacity to Canary Wharf by 54%, giving crucial

support to new high skilled jobs. It will add at least £20 billion a year to the UK economy.

### Stratford City and the 2012 Olympic Park

Regeneration was at the heart of London's bid for the 2012 Olympic and Paralympic Games and remains one of the core objectives of hosting the Games. The decision to build the Olympic Park in Stratford makes it one of the major focal points for regeneration and development. The £4 billion redevelopment at Stratford City is the UK's largest ever retail-led, mixed-use urban regeneration project. It will confirm Stratford's position as East London's second largest commercial centre and provide new retail, office and leisure facilities, creating 5,000 new jobs by 2016, and eventually up to 20,000 new jobs.

The local population will benefit from the Olympic Village and Stratford City, which will deliver up to 9,000 new homes, over 30% of which will be affordable. These will be supported by

community facilities and schools, as well as new public squares, parks and natural ecological habitats, developed around the international high-speed rail station which is opening in time for the 2012 Olympics.

## Ebbsfleet Valley

Ebbsfleet Valley is a new community for work and living, being built on brownfield sites around the new Ebbsfleet International rail station on the High Speed 1 line. International trains to Paris and Brussels began operating from Ebbsfleet in November 2007, at the same time as St Pancras was opened. From 2009, high speed domestic services will enable local people to reach St Pancras in just seventeen minutes – and the Stratford Olympic site in ten minutes. This will transform Kent Thameside as a location for homes and jobs. Ebbsfleet is planned as a major centre for business and service employment, with over half a million square metres of new office accommodation. This is predicted to bring 10,000 new jobs to the area by 2016.

## London Gateway and the Gateway's Ports Cluster

In May 2007, planning permission was granted for the regeneration of London Gateway at Shellhaven – a 1,500 acre former oil refinery site – to provide the largest deep-water port in Europe. The project will provide much-needed extra deep-sea port capacity, handling even the biggest container ships, and enabling the UK to regain its position as the European centre of maritime trade. It will have a dramatic effect on distribution within Britain by providing shorter, more sustainable routes by road and new opportunities for longer-range distribution by sea.

The London Gateway also includes one of Europe's largest business and logistics parks. Its location beside the port provides a unique opportunity to establish an integrated supply chain with road, rail and sea connections. The first tenants are expected to move in during 2008. The £1.5 billion investment by owners DP World, the second largest ever inward investment into the UK, will create up to 14,000 new jobs by 2025.





## Six dominant sectors

These areas will be the focus for investment in the short to medium term.

### **Business and Financial Services**

The City of London is the acknowledged world finance capital, and Thames Gateway's excellent links to central London make it an ideal location for companies involved with the financial services industry. The fastest growing employment location in the UK, Canary Wharf, has in the last 20 years become a location of world leading pre-eminence for multinationals. Excellent locations, outstanding infrastructure and access to a skilled workforce all play a role in its continued success.

Whilst London Thames Gateway provides a unique location for wholesale finance and global headquarters, parts of Kent and Essex could provide attractive business infrastructure for non-headquarter functions at a relatively lower cost.

Through the new international high speed rail links, Ebbsfleet Valley and Stratford both offer opportunities for major new office developments for both primary and back-office business and financial services.

### **Urban Environmental Innovation**

The new challenge for the Gateway is to combine increasing economic growth, development and prosperity with tackling climate change. The sheer scale of development underway means it is a great location to pioneer the new environmental technologies and approaches of the future. Local Regeneration Partnerships within the Gateway have environmental concerns high on their agenda. With the sector set to grow by 45% by 2015, the Thames Gateway can lead the way with environmental jobs, greater use of renewables and new technologies, and environmental improvements to existing homes and buildings – truly becoming an eco-region for the rest of the country and other countries to follow.

## Port and Logistics

The Thames Gateway has been at the centre of a global transportation and trade network since Roman times.

Today, the cluster of ports in the Gateway includes the new London Gateway in Thurrock, Tilbury, Sheerness, Medway, Thamesport and over 70 other smaller wharves.

Currently the Thames Gateway port cluster represents 18 percent of total UK port capacity (555 million tonnes in 2005).

The London Gateway Port will see the conversion of a former fuel refinery into a deep-sea container port presenting a huge potential for jobs growth and an excellent opportunity to complement the other existing port facilities. The £1.5 billion investment by DP World at London Gateway will add a further 10% to the total UK capacity when complete. The net effect on employment in the Essex Thames Gateway will be substantial.

## Advanced Manufacturing

The Thames Gateway has a long history in pioneering cutting edge technologies in a wide variety of industries, at one time or another leading the world in ship building, armaments, aeronautics and automotive industries. The Thames Gateway still leads in defence technology research, aerospace avionics, automotive powerplants and bio/life sciences, and is home to a large number of existing investments from companies that are household multi-national names. Furthermore the government's prioritisation of funding for higher education and skills training will ensure that the Thames Gateway will have the necessary skilled employment pool to continue to service these industries in the future.

In the future, the area also faces major challenges in a rapidly changing global economic landscape. The Gateway can, however, seize opportunities from new development and build on its largely nascent comparative advantage in an international market. This will be underpinned by innovation, enterprise, skills, and infrastructure investment.

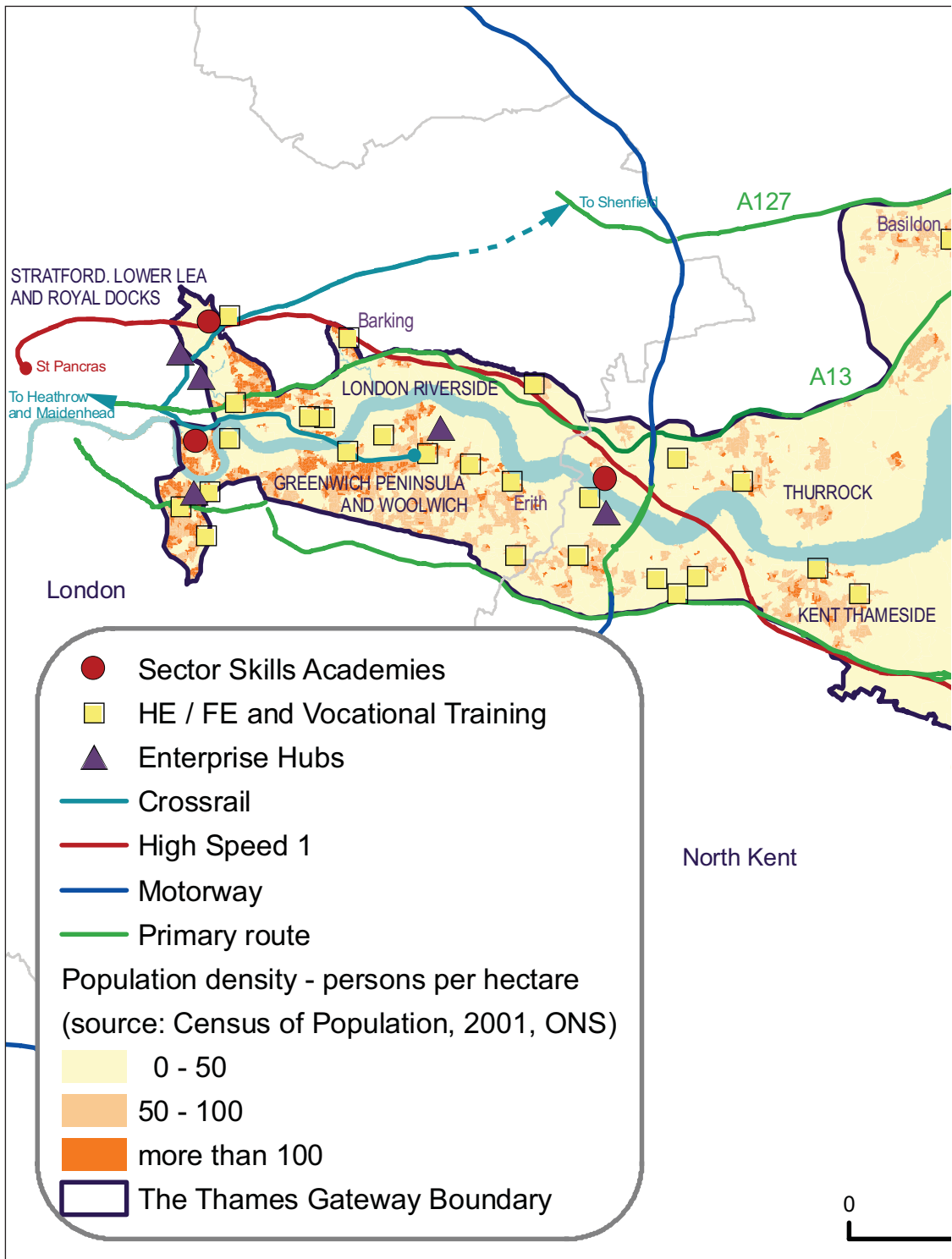
## Construction

Plans for the 2012 Olympic Games, and the huge building programme for the Thames Gateway, have resulted in one the largest construction and redevelopment projects in the UK, and possibly the whole of Europe; the growth is anticipated to continue for the next three decades. This and other jobs associated with the Olympics will boost the labour market in 2012, with the legacy of the Games leaving a positive impression on the local labour market. With its vision of excellence in design, and its high environmental standards, the Thames Gateway will also lead the way in technologies and methods of construction in the UK.

## Creative Industries

There is much potential to build on the existing 16,000 business and 80,000 people employed in the Creative industries. The Creative Way Lifelong Learning Network brings education institutions and funders of institutions in the Thames Gateway together to work strategically and with greater collaboration to bring the skills needed by this sector into fruition. The expanding number of courses available at the Gateway's college's and universities, as well as Investments such as the Royal Opera House in Purfleet, will see the sector continue to grow in importance.

# Map: New Jobs, Skills and Transport



## Facts about Thames Gateway

- The region covers 100,000 hectares
- Government has already invested £7 billion between 2003 and 2008
- Approximately 1.45 million people already live in the area
- There are 600,000 households and 32,000 VAT registered businesses
- Over a third of the population is qualified to degree or NVQ4 level
- There are 637,000 people employed and over 300,000 foreign language speakers
- The Gateway has 19 universities and 11 higher education colleges
- There are two business airports in the Gateway: London City in Docklands and Southend in South Essex.



- Crossrail will be built – opening 2017
- Ebbsfleet to Paris in 2h 17 minutes by train. From 2009 Ebbsfleet to St Pancras in 17 minutes by train
- 20% of UK can be reached by road from the Thames Gateway in 2 hours
- North Kent's Fastrack service has won a National Transport Award
- London Gateway will handle 3.5 million containers per year and will have 800,000 sqm of warehousing available
- Kent Science Park in Swale was voted most enterprising location in the South East in 2006



## Development Opportunities

A number of sectors are expected to flourish in the Gateway over the next ten years. In order to support this growth, government is investing in training and skills for local communities to prepare them for work in these six sectors.

Master plans for the largest brownfield sites in the Gateway like the site at Barking Riverside, Greenwich Peninsula and Ebbsfleet Valley have already been defined. However, a huge number of development opportunities still exist.

### Housing Developers

The Thames Gateway will build 160,000 new homes by 2016, 108,000 of these will be in the Gateway's top ten sites. The Gateway expects these dwellings to demonstrate excellence in both design and in the materials used, to be supported by full range of community facilities, and be affordable to wide range of people.

### Commercial Property Developers

The Thames Gateway is creating the conditions for 225,000 new jobs.

This combined with the efforts being made to attract new companies to the Gateway means that there will be a demand for additional commercial properties. These will need to be in a wide range of types from large warehouses at the Gateway's logistic hubs to small incubator and innovation units. With approximately 3,000 hectares of brownfield land available across the Gateway, opportunities abound around for companies needing the space to build.

## Town Centre Regeneration

Whilst the development of new housing and new communities has an important role in the Thames Gateway programme, improving the quality of life for those in the Gateway's existing communities is equally important. Therefore 14 Gateway town centres have now been targeted as priorities for future investment. Existing facilities will be improved and additional

commercial, leisure and retail opportunities will be incorporated to create sustainable town centre, and encourage future investment.

## Entertainment and Leisure

The Gateway has great potential as a tourist destination through its cultural and historical offer. It also has a major natural asset to build on in the form of the River Thames. The Gateway is also growing in importance as an entertainment and leisure destination. AEG Europe's new O2 entertainment complex on the Greenwich Peninsula, and the development of historic dockyard of Chatham and the Dickens World attraction are just a few examples of successes to date. With the additional opportunities that will come from hosting the 2012 Olympics, the entertainment and leisure sector in the Gateway is set to grow enormously.



### Top Ten Housing Sites

Barking Riverside and Town Centre  
 Basildon  
 Ebbsfleet Valley  
 Greenwich Peninsula  
 Kent Thameside Waterfront  
 Lower Lea Valley  
 Medway Waterfront and Chattenden  
 The Royals and Canning Town  
 Thurrock  
 Woolwich

### 14 Priority Town Centres

Barking  
 Basildon  
 Bromley by Bow  
 Canning Town  
 Dartford  
 Erith  
 Gravesend  
 Grays  
 Medway  
 Purfleet  
 Sittingbourne  
 Southend-on-Sea  
 Stratford  
 Woolwich



# Growing and Expanding Business

A growing economy brings with it many opportunities for the private sector. For many businesses being close to London as a global city is essential but expensive. London is growing east and with new high speed rail links from King's Cross through the Gateway Paris and Brussels, the decision to fund Crossrail and London Gateway, the new international container port in Thurrock, Thames Gateway offers a new unique international investment proposition.

Organisations of all sizes are already moving to the area, confident in the knowledge that making a commitment to the area today means they can play a part in shaping the future of the communities they move to. The network of Local Delivery Vehicles in the Gateway brings together public and private sector partners to ensure all voices and needs are considered before money is spent.

## Multinational Companies

Because of its excellent national and international transport links, the Thames Gateway is becoming increasingly attractive to companies looking for a UK or EU Headquarters. Canary Wharf has been particularly successful in the respect, attracting the likes of HSBC, Lehman Brothers and Wells Fargo to name but a few. This success is expected to extend eastwards into the wider Gateway. There are plenty of suitable properties either built or in planning, and more than enough space for further development. Recruitment of staff with the necessary skills will also be straightforward – the Thames Gateway has 300,000 multi-lingual people, and

the Government investment in education will create a further 9,000 new Gateway graduates a year, building on an existing critical mass of skilled personnel.

## Small and Medium Sized Enterprises (SMEs)

Of the estimated 600,000 businesses in the Gateway at present, the vast majority of these fall into the SME category, and the Gateway has a strong offer to companies of this size. The Gateway's competitive cost base and the wide range of locations on offer means that finding a suitable site is never likely to be an issue. The Government is also investing 1.6 billion in teaching and learning to provide additional opportunities for further education and work-based learning between 2008 and 2011 ensuring that potential employees with the Gateway's Regional Development Agencies, and their sub regional partners, companies will also be able to access free and confidential business advice on future growth opportunities.

## New Businesses

If you want to start a business, the Gateway is the place to do it. Business incubator space is becoming increasingly available to support new companies. More are planned on or near Gateway University campuses to ensure maximum benefits. Companies will also have access to the combined resources of the business advisors from the Gateway's three regional development agencies and their sub regional partners.



# Financial Investment Opportunities

Over the next ten years it is expected that £43 billion of private sector money will be invested in Thames Gateway. A large portion of that money is expected to come from the City.

Government's commitment to delivering Thames Gateway gives fund managers and venture capitalists a reassurance not found in other parts of the country. Investing in land, developments organisations and initiatives in this region provides a lesser risk than equivalent opportunities elsewhere. However, due to the scale of regeneration and business growth in the Gateway, it is often hard to truly assess all of the investment opportunities that are available.

The Thames Gateway Delivery Plan sets out Government's spending over the next three years, which itself provide the investment community to an understanding of the area's short

term ambitions. The new Economic Investment and Development Plan that is due to be published in 2008 by the three Regional Development Agencies in the Greater South East, will provide more detail of the long term economic ambitions.

The Invest in Thames Gateway Team has been established as part of Government's Thames Gateway Executive. Positioned as an impartial and informed voice, this team of investment experts will help investors understand and navigate the complex structures that exist in the Gateway.

Once the investment opportunity has been selected and an agreement is in place, the Invest in Thames Gateway Team will be able to provide accurate area and location analysis and updates on the status of the development or initiative if it is required.



## The Invest in Thames Gateway Team

The Government's Thames Gateway Executive and the Regional Development Agencies are establishing a single unit to help potential investors. Meanwhile we have established a single contact number for all enquiries:

### Contact Information

Thames Gateway Executive  
% Communities & Local Government  
10<sup>th</sup> Floor, 2 Exchange Tower  
Harbour Exchange Square  
London, E14 9GE  
t: + 44 (0) 207 944 6633  
f: + 44 (0) 207 944 2151  
e: [invest@thamesgateway.gov.uk](mailto:invest@thamesgateway.gov.uk)

Department for Communities and Local Government  
Eland House  
Bressenden Place  
London  
SW1E 5DU  
Telephone: 020 7944 4400  
Website: [www.communities.gov.uk](http://www.communities.gov.uk)

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Thames Gateway

This publication provides potential investors with a brief overview of the economic ambitions for the Gateway. It also sets out details of the support service offered by the Invest in Thames Gateway Team, which is part of Government's Thames Gateway Executive. This document is an accompaniment to the **Thames Gateway Delivery Plan**.

