Productivity Challenge

The Mega Region is the most productive area in the UK, although this has been growing at a slower rate compared to global productivity. According to the Oxford University Productivity Index, London and the South East are among the top 20 highest performing local authorities, however, London has seen its productivity fall while the rest of the South East has remained static. The disparity between UK Mega Regions is significant, with some areas having strong economic performance and others facing productivity challenges. A regional perspective on issues such as housing and infrastructure can help to address these disparities.

Access to Skilled Labour

The South East of England is one of the most educated regions in the UK, with a higher proportion of the working-age population having higher education qualifications compared to other Mega Regions. This provides a strong talent pool for the region's economy. However, there is significant sub-regional disparity, with some areas having stronger labour market outcomes than others. A regional plan must recognise these differences and work to improve the accessibility and quality of education and training opportunities for people across the region, ensuring that everyone has the opportunity to develop the skills needed for the jobs of the future.

The Value of Place and Scale

There is evidence that spatial planning has already begun to deliver results in the UK. A regional perspective on issues such as housing and infrastructure can help to address these disparities. However, the benefits of a regional approach are more pronounced in larger spatial units, which is why a regional plan is needed. This can help to ensure that planning decisions are made at a scale that can deliver meaningful outcomes, rather than at a smaller scale that may be too small to make a difference.

Resilience

Green Infrastructure

Across the South East Mega Region the region has a wide variety of protected areas, ranging from 5,000 hectares in London to 70,000 hectares in Kent. The region has a diverse range of habitats, including forests, wetlands, and coastal areas, which provide important ecosystem services. These services include regulating air and water quality, providing flood protection, and supporting biodiversity. However, the management of these areas is often fragmented, with different agencies responsible for different aspects of their management.

Housing Delivery

AECOM research identified that the Mega Region has a housing delivery gap of over 300,000 dwellings (2015). This is due to a combination of factors, including a lack of investment in affordable housing and a lack of planning for future needs.

Refining the Green Belt

Across the region there are Green Belt areas, which are designated areas of lower urban development potential. These areas are important for providing green space, protecting agricultural land, and maintaining landscape character. However, they are often seen as obstacles to development, and there is a need to refine the Green Belt to ensure that it is more effective at delivering its objectives.

Connectivity

Transportation in the Mega Region is critical for its economic success. The region has multiple international gateways, including airports, ports, and rail links. However, there are significant challenges to improving connectivity, including a lack of coordination between different transport modes and a lack of investment in infrastructure.

Digital

The region has a strong digital infrastructure, with high levels of broadband connectivity and a growing number of digital firms. However, there is a need to ensure that this connectivity is accessible to all parts of the region, particularly rural areas and areas with lower levels of digital skills.

What’s next?

The project has developed further over the coming months. Using the data gathered and the insights gained, we are now working closely with the region’s partners to develop an implementation strategy for the One Mega Region plan. This will include setting out a timetable for action and identifying key stakeholders and partners who are willing to take the lead on different aspects of the implementation.

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AECOM has developed a series of evidence-based maps that illustrate the challenges and opportunities facing the South East Mega Region. The key messages arising from this are:

1. **Strong radial corridors** from London towards the North and North West - these corridors link to where the greatest levels of housing growth is planned, existing economic assets and clusters and utility infrastructure (digital connectivity).
2. **Economic clustering** is linked to major university cities and environmental conditions (i.e. agri-tech aligned to Grade I & II agricultural land).
3. **Climate Change** poses a significant challenge to the entire region, however, London and the west are predicted to warm the most.
4. **Potential opportunity for growth** to the north east and to the south east of the Mega Region that could capitalise on existing transport capacity to unlock latent economic potential. However, significant environmental constraints and the coastal areas are relatively isolated.

AECOM’s integrated approach to regional scale planning is the first step in the development of a blueprint for a spatial plan and vision for the South East Mega Region that will set out and address its major challenges.