



# **AGM & ALL-MEMBER MEETING**

**Thursday 27 June 2019**



# **KEY DISCUSSION:**

**A strong South East  
economy to drive  
growth for the UK**

## South East Economic Headlines – from EBIS analysis for SEEC

**Contributions from the South East are essential for Central Government spending and investment across the whole UK**

- The South East economy contributed over £117.4bn to Central Government revenue in 2016/17.
- This is the 2<sup>nd</sup> highest contribution in the country and more than the Yorkshire & the Humber, East Midlands and North East regions combined.
- The net contribution (taxes minus Government investment) to Central Government finances from the South East was over £19.4bn in 2016/17.
- The South East is one of only three UK regions that makes a net contribution to UK public finances.

**A successful local economy is needed to safeguard future returns but the South East is becoming less competitive**

- The South East saw no growth in labour productivity since 2010 and the region's competitiveness is slipping both in the UK and globally.
- The South East becoming less competitive is likely to have profound implications on the national competitiveness and growth and on the contribution that the South East makes to public finances.
- The South East receives the lowest public expenditure in the country and the lowest local government revenue settlements funding and grants from Central Government.

**The South East will need higher levels of investment to sustain competitiveness and to offset rising demand for local services**

- Higher investment is needed to safeguard the South East's success and avoid a decline in the region's vital flow of tax return to Central Government finances
- More investment from Central Government is needed to help ease the pressure on the delivery of local services, especially for adult social care provision given demographic impacts from projected increases in the older population.
- To safeguard a successful economy it is necessary to invest in transport (a key physical enabler of growth) and the innovative capacity of the region. Investment will also have to be accompanied by an increase in skilled workforce.