REGENERATION AND ECONOMIC DEVELOPMENT POLICY OVERVIEW AND SCRUTINY COMMITTEE

Thursday, 12th November, 2009

10.00 am

Darent Room, Sessions House, County Hall, Maidstone

Kent County Council

AGENDA

REGENERATION AND ECONOMIC DEVELOPMENT POLICY OVERVIEW AND SCRUTINY COMMITTEE

Thursday, 12th November 2009, at 10.00 am	Ask for:	**Theresa Grayell ext 4277**
Darent Room, Sessions House, County Hall, Maidstone	Telephone	

Tea/Coffee will be available 15 minutes before the meeting

Membership (12)

Conservative (11): Mr M C Dance (Chairman), Mr R W Bayford, Mr J R Bullock, MBE, Mr K A Ferrin, MBE, Mr P J Homewood, Mr J A Kite, Mrs J Law, Mr K Pugh, Mr K Smith, Mr M V Snelling and Mrs E M Tweed

Liberal Democrat (1): Mr I S Chittenden (Vice-Chairman)

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

Item No

A. COMMITTEE BUSINESS

A1 Membership - to report that Mr K Smith has joined the Committee in place of Mr B J Sweetland

A2 Substitutes

A3 Declarations of Interests by Members in items on the Agenda for this meeting

A4 Minutes of the meeting held on 24 September 2009 (Pages 1 - 6)

B. ITEMS FOR DISCUSSION

B1 Presentation - Environmental Technologies: Greener Opportunities for Kent (Pages 7 - 36)

B2 Local Economic Assessment, Partnership Structures and Devolution (Pages 37 - 42)

B3 Regeneration and Economy - A District Perspective: Members' oral report back from visit to Swale Borough Council, 2 November 2009

B4 Quarterly Budget Monitoring Report 2009/10

B5 Autumn Budget Statement and Draft Medium Term Plan 2010/11 to 2012/13

B6 Update on Major Projects (Pages 43 - 54)

C. SELECT COMMITTEE UPDATE

C1 Update on Select Committee Work (Pages 55 - 56)

EXEMPT ITEMS

(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)

Peter Sass
Head of Democratic Services and Local Leadership
(01622) 694002

Wednesday, 4 November 2009

Please note that any background documents referred to in the accompanying papers may be inspected by arrangement with the officer responsible for preparing the relevant report.

KENT COUNTY COUNCIL

REGENERATION AND ECONOMIC DEVELOPMENT POLICY OVERVIEW COMMITTEE

MINUTES of a meeting of the Regeneration and Economic Development Policy Overview Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Thursday, 24 September 2009.

PRESENT: Mr M C Dance (Chairman), Mr R W Bayford, Mr J R Bullock, MBE, Mr K A Ferrin, MBE, Mr P J Homewood, Mr J A Kite, Mrs J Law, Mr M J Northey (Substitute for Mr B J Sweetland), Mr R A Pascoe (Substitute for Mrs E M Tweed), Mr K Pugh, Mr M Robertson (Substitute for Mr I S Chittenden) and Mr M V Snelling

ALSO PRESENT: Mr K G Lynes, Mrs J A Rook and Mr A Wickham

IN ATTENDANCE: Mr D Cockburn (Executive Director, Strategy, Economic Development & ICT), Ms C Forbes (Interim Director of Economic Development) and Miss T Grayell (Democratic Services Officer)

UNRESTRICTED ITEMS

15. Minutes of the meeting held on 30 July 2009
(Item A3)

RESOLVED that the minutes of the meeting held on 30 July are correctly recorded and that they be signed by the Chairman. There were no matters arising.

16. Locate in Kent - Presentation
(Item B1)

Mr P Wookey, Chief Executive of Locate in Kent, was in attendance for this item at the invitation of the Committee.

(1) Mr Wookey presented a series of slides showing the work of Locate in Kent in relation to the changing patterns of economic development and the job market in Kent since the early 1990s, giving examples of successes and what support Locate in Kent had been able to give to companies, and relating the work of Locate in Kent to Towards 2010 targets. He advised Members that Kent had exceeded its 2010 target for economic development, and that Kent's key strength to take forward into the future was its diversity.

(2) In discussion, and in response to Members' comments, the following points were highlighted:-

(a) There were some downsides to Kent's economic health in recent years, and to see a balanced picture it was important to include what Kent had lost;

(b) Although some sectors had moved out of Kent, others such as bio-science manufacturers were still strong; and

(c) Companies decided where in Kent to establish themselves; Locate in Kent did not direct them but offered them options of suitable locations for their business. Locate in Kent's successes were fairly evenly spread across the county, and Kent offered and ideal location for a broad range of companies.

(3) RESOLVED that the information given in the presentation and in response to Members' questions be noted, with thanks, and Locate in Kent be congratulated on its success.

17. Presentation - Research and Intelligence Support for this Committee
(Item B2)

Dr P Welsh, Head of the Research and Information Unit, was in attendance for this item.

(1) Dr Welsh presented a series of slides setting out the work of the unit and how it supported policy and project development. He set out what information was gathered, how it was used, and how it linked to other strategic documents. In particular, the unit used the Mosaic data modelling system. The information was arranged to be as accessible as possible and could be accessed in different ways and at different levels. Other research work carried out by the unit related to population and deprivation, migration patterns, land use and planning and employment land and new homes.

(2) In discussion, and in response to Members' questions, the following points were highlighted:-

(a) The information used by Mosaic did not include personal data about any individual, so did not give rise to any data privacy problems. Information reflected patterns of community behaviour;

(b) Examples of what Mosaic has been used for include funding formulas in schools, recruitment of foster carers, identifying bus routes and provision of SEN school places;

(c) Borough and District Councils could make much use of the data gathered by Mosaic and avoid duplicating data gathering locally. Mosaic is a commercial product owned by Experion and licensed for use by KCC on a bureau licence which included its use by Borough and District councils. All Members had access to Mosaic;

(d) As the data in Mosaic was complex and could be interpreted in different ways, the unit acted as a bureau to answer questions and guide users on how to interpret the information;

(e) Mosaic data was updated annually and was cross-referenced to provide as accurate a picture as possible. Some data was updated less than annually (e.g. the 10-yearly census);

(f) Data supplied by the unit could be used to indicate areas most in need of jobs funding, and had shown up a disparity in funding between East and West Kent;

(g) the unit received some data automatically (e.g., relating to land use) while other info had to be sought, project by project, to answer a specific need; and

(h) Information now available via Mosaic was based on much broader lifestyle patterns. Previously, socio-economic categories (A1, B2, B3, etc) were based purely on the job a person did.

(3) Dr Welsh undertook to answer Members' questions and points of detail relating to specific issues outside the meeting.

(4) RESOLVED that the information given in the presentation, and in response to Members' questions, be noted, with thanks.

18. Financial Monitoring 2009/10
(Item B3)

Mr D Shipton, Finance Strategy Manager, was in attendance for this item.

RESOLVED that the content of the report be noted, with thanks.

19. Draft Towards 2010 Annual Report
(Item B4)

Mrs S Garton, County Performance and Evaluation Manager, was in attendance for this item.

(1) Mrs Garton introduced the report and explained that the third annual Towards 2010 report would be considered by the full council on 15 October. The officer team answered points of detail raised by Members, and some Members disagreed with the progress listed for targets T40 and T46 and commented that some major projects did not appear in the listings. Mr Cockburn replied that the progress shown for any one project would be impacted by the way in which, as well as the point at which, the monitoring was undertaken.

(2) RESOLVED that the information given in the report, and in response to Members' questions, be noted.

20. Proposal to form a Sub-Group of the POC - 'Regeneration and Economy - a District Perspective'
(Item B5)

(1) The Chairman set out a proposal to establish a sub-group of the POC which would address Members' need to talk about and ask about regeneration activity in their area while freeing up POC meetings to concentrate on strategic issues.

(2) He proposed that two small groups, each of 4 – 8 Members, should visit, one by one, District and Borough Councils in Kent to see key local regeneration schemes, talk about how they fitted in with KCC's work and report back to the POC on their findings in each area. The aim would be to visit all districts of Kent over the course of about a year. The work of the group would be supported by Democratic Services only in making the initial arrangements for each visit, and the onus would then be on Members to take part, engage with each host council and report back to the POC on their findings.

(3) Members expressed the following views on the proposal:-

(a) The idea would allow a way of exploring local concerns, as parochial comments at POC meetings divert the committee's energy and focus;

(b) Regeneration Partnerships all involve District and Borough Councils, so it would be good to have them involved in this way;

(c) Visits might help to link together other partners and groups working in similar fields. Making more links, or having a chance to network formally, would help everyone to avoid duplication;

(d) The mechanics of this will not work the same way in all areas – for example, Swale has three urban areas but only one of these areas has a Town Council;

(e) Would the project involved visits to Medway? Mr Lynes pointed out that Kent and Medway had a good, productive relationship with many links and frequent visits;

(f) Establishing such a group should not prevent Members from asking questions at POC about things which affect their local area. Members should always actively represent their electoral division at County Hall;

(g) the work of the sub-group would give Members a good basic knowledge of each area, which they needed;

(h) Two groups would not work well, as each would see different places and be able to make like-with-like comparisons. One group should visit everywhere, to have an overview and be able to make objective comparisons; and

(i) the group would help KCC to identify priorities for regeneration around the county.

(4) RESOLVED that a sub-group of the POC be established to visit, one by one, District and Borough Councils in Kent to see key local regeneration schemes, talk about how they fitted in with KCC's work and report back to the POC on their findings in each area.

21. Draft Annual Performance Report 2008/09
(Item B6)

Mr R Hardy, Head of Performance Improvement and Engagement, was in attendance for this item.

(1) Mr Hardy introduced the report and explained that it was being submitted to all POCs. This was the first time the report had been produced in this format.

(2) In discussion, Members made the following comments:-

(a) The report gives a good overview of issues. Regeneration is a cross-cutting subject and links to many other areas;

(b) This is a performance report, yet it doesn't include any figures to give evidence of any performance:

(c) The length of the report is not sufficient to explore issues in detail, yet it is too long to be a summary. Either of these options would be useful, but a shorter summary report would be preferred; and

(d) Some parts of the report refer to 'we', for example, 'How we have made a difference'. Readers need to be clear who this refers to, so these references could say 'Local authorities have done x' or 'Residents' groups have done y'.

(3) Mr Hardy thanked Members for their comments and undertook to take account of the points made when preparing next year's report.

(4) RESOLVED that the content of the report be noted, with thanks, and Members' comments, set out in paragraph (2) above, be taken into account when preparing future reports.

22. Regeneration and Economic Development, Connecting with Communities - Annual Report to Policy Overview Committee
(Item B7)

Ms J Hill, Performance Manager, was in attendance for this item.

RESOLVED that the content of the report be noted, with thanks.

23. Update Report on Projects in Regeneration Fund
(Item B8)

Mr N Smith, Head of Development Investment, was in attendance for this item.

(1) Mr Smith explained that a Regeneration Board had been established to deliver the objectives of the Regeneration Fund. The Board will look at bids for funding, using a three-stage process; a pro-forma for each project, an assessment of the project against Regeneration Fund criteria and risk assessment, and a 'score card',

which is submitted to a sub-group which meets regularly to assess each project in a two-stage process.

(2) RESOLVED that the information given in the oral presentation be noted, but that, in future, written updates be produced for publication with the agenda for the meeting.

24. Potential to Refocus and Restructure the Overview and Scrutiny Function
(Item B9)

Mr P D Wickenden, Overview, Scrutiny and Localism Manager, was in attendance for this item.

(1) Mr Wickenden introduced the report and explained that it had been submitted to all other Policy Overview Committees to give Members an opportunity to contribute their views.

(2) Members welcomed the report and the chance to comment, and acknowledged the scrutiny process as a vital opportunity for all Members to influence policy making. Members of each POC could help the Cabinet Member and Deputy Cabinet Members to reach a conclusion on the work that the POC could do.

(3) RESOLVED that the views expressed above be taken into account when deciding the future direction, and the onward process, for debate at Cabinet on 12 October and County Council on 15 October, be noted.

25. Update on Select Committee Work
(Item C1)

(1) Miss Grayell reported that proposals had been received for two Select Committee topics which would fall within the remit of this POC; Developer Contributions and Skills Shortage.

(2) RESOLVED that the process for agreeing a Select Committee Topic Review Work Programme be noted.

By: Kevin Lynes
Cabinet Member for Regeneration and Economic Development

David Cockburn
Executive Director, Economic Development, Strategy and ICT

To: Regeneration and Economic Development
Policy Overview and Scrutiny Committee
12 November 2009

Subject: Environmental Technologies: Greener Opportunities for Kent

Classification: Unrestricted

Summary:

This report introduces *Low Carbon Opportunities for Growth*, a report prepared earlier this year by KCC which sets out an overview of the economic opportunities presented by the need to reduce carbon consumption and by increasing demand for 'green' goods and services.

It presents for this Committee's consideration a series of potential actions that KCC and its partners might take to support Kent in taking advantage of these opportunities.

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1. Introduction: the strategic context

1.1. Two key strategic documents produced in 2009 set the context for a greater focus on environmental economic opportunities. Firstly, *Unlocking Kent's Potential*, KCC's Regeneration Framework, recognised the need for a better understanding of the changing potential of Kent's economic sectors, and committed to the development of a Kent Sectors Strategy. Secondly, the Kent Environment Strategy (currently in consultation draft form) sets out a vision for a low carbon economy, in which the county is seen as a preferred location for green technology companies and in which greenhouse gas emissions are consistently reduced.

1.2. Following the Regeneration Framework and the Kent Environment Strategy, *Low Carbon Opportunities for Growth*, attached as Annex 1, was prepared in September 2009 as a discussion document contributing to the overall Sectors Strategy.

2. The need to focus on 'green' economic opportunities

2.1. *Low Carbon Opportunities for Growth* recognises that the impact of climate change, and the measures needed to mitigate it, will fundamentally change the way in which the economy works. For example, to meet Britain's targets for the reduction of greenhouse gas emissions, by 2050, we will need to produce each unit of economic output with just 10% of the carbon dioxide emitted today. At the same time, the need to protect the environment means an increasing regulatory burden on economic activity (which is likely to increase over time) and greater pressure on oil reserves will lead to higher energy and transport costs. Environmental pressures on business are therefore here, rising and unlikely to diminish.

2.2. However, these costs are accompanied by significant opportunities. For example, higher prices for conventional energy increases the commercial viability of renewables, greater fuel efficiency presents long term competitive advantages, and increased demand for measures to reduce carbon use creates opportunities for new products and services.

2.3. These opportunities and challenges are of course global, rather than Kent-specific, and local and national governments around the world are developing approaches to enable their areas to gain competitive advantage. It is therefore important to understand where Kent's likely advantage really lies and where we (as the County Council directly and with partner organisations) can usefully direct our efforts to make a positive difference.

3. Opportunities for Kent

3.1. *Low Carbon Opportunities for Growth* sets out the potential in a number of key sectors in Kent, focused on:

- Offshore wind
- Nuclear energy
- Carbon capture and storage
- Community heating systems and biomass
- Low carbon buildings and construction
- Clean technologies
- Electronics, ICT and remote working
- Business, consultancy and financial services
- Agriculture and land-based activities

3.2. In addition, the increasing pressure of environmental regulation and changing consumer demand mean that other parts of the economy not directly associated with environmental goods and services will need to reduce carbon emissions. The potential gains from the need for increased environmental sustainability are therefore broader than those captured by environmental technologies alone.

3.3. The report sets out a ‘menu’ of potential actions that KCC and its partners could take in support of the development of a lower carbon economy (see pages 21-24 of the report in Annex 1). These fall into four broad categories:

- **Increasing demand:** Actions through which public sector intervention can help to create low carbon markets in Kent
- **Support to business:** Actions through which the public sector can assist Kent businesses in developing innovative low carbon products and services
- **Developing skills:** Actions through which the public sector can ensure provision of the skills that a lower carbon economy will need
- **Increasing market knowledge:** Actions through which we can ensure that we have an informed awareness of the market for low carbon goods and services

3.4. The potential actions listed are intended to prompt discussion and debate at this stage, rather than being prescriptive. A time-limited private sector task group has also been established by Kent Economic Board to consider the menu of actions (and potentially other interventions) from an industry perspective.

4. Next steps

4.1. Following discussion at this Committee and within the private sector task group established by KEB, and following further discussion with public sector partners, it is anticipated that *Low Carbon Opportunities for Growth* will be revised to form the first major sector-specific strategy emerging from KCC’s overall Sectors Strategy.

5. Recommendations

5.1. The Policy Overview and Scrutiny Committee is recommended to:

- Note the contents of this report and Annex 1;
- Consider the economic opportunities and challenges for Kent presented by the need to reduce carbon consumption and improve environmental sustainability; and
- Consider and comment on the proposed actions proposed in Chapter 3 of Annex 1

Annexes

Annex 1: *Low Carbon Opportunities for Growth*, September 2009

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Low Carbon Opportunities for Growth

Version 4
September 2009

Kent County Council

Contents

Research, Strategy & International
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Executive Summary

Welcome to the first draft of *Low Carbon Opportunities for Growth.* This report sets out an overview of the economic opportunities for Kent presented by the need to reduce carbon emissions and by increasing demand for 'green' goods and services.

Low Carbon Opportunities for Growth supports the emerging Kent Environment Strategy, which sets out a vision for a low carbon economy. It also contributes to the development of the Kent Sectors Strategy, which will be prepared by the end of 2009. It therefore helps to directly connect the county's environment and economic development strategies by identifying those areas in which Kent can grow while minimising environmental cost.

Valuing the low carbon economy

The global market for low carbon goods and services is already estimated to be about £3 trillion per year, with the sector worth around £107 billion in the UK. In Kent, around 17,500 people are employed directly in low carbon goods and services.

The sector is also growing rapidly – at between 4 and 5 percent over the next eight years – creating around 400,000 new jobs nationally. Indeed, it is one of the few sectors of the UK economy forecast to create jobs over the course of the recession.

Opportunities for Kent

This report sets out the potential in a number of key sectors in Kent, focused on:

- Offshore wind
- Nuclear energy
- Carbon capture and storage
- Community heating systems and biomass
- Low carbon buildings and construction
- Clean technologies
- Electronics, ICT and remote working
- Business, consultancy and financial services
- Agriculture and land-based activities

In addition, the increasing pressure of environmental regulation and changing consumer demand mean that other parts of the economy not directly associated with environmental goods and services will need to reduce carbon emissions. *Low Carbon Opportunities for Growth* sets out the practical advantages to business of doing so.

Practical actions

Taking advantage of low carbon opportunities in some sectors will require public sector intervention. In some areas, this can only practically be achieved at national level, but in others there are potential actions that local partners in Kent can take. These are identified in an outline action plan, which provides a menu of interventions which can be taken forward for further investigation.

A document for discussion

This report does not provide all the answers. Rather, it is a starting point for discussion, which aims to set out some practical measures that we can take locally to support Kent business in meeting the challenges of environmental and economic change.

1. Introduction: the economic challenges of environmental change

Welcome

Welcome to the first, discussion draft of *Low Carbon Opportunities for Growth.* This report sets out the potential for Kent to maximise the jobs and economic benefits emerging from the need for increased environmental sustainability and lower carbon use. It sets out the opportunities for Kent, and a series of potential actions that partners could take to support Kent's long-term potential.

1.1. Why do we need to focus on low carbon economic opportunities?

We have produced this report because the impact of climate change, and the measures needed to mitigate it, will fundamentally change the way in which our economy works. To meet Britain's targets for the reduction of greenhouse gas emissions, by 2050 we will need to produce each unit of economic output with just ten percent of the carbon dioxide emitted today[1]. This will not just impact on a few industries in a few locations – it will impact on all of us.

In the shorter term, we can already see that links between environmental and economic sustainability are now closer than ever before. For example, the gradual exhaustion of oil reserves (and higher worldwide demand) means higher energy and transport costs. The need to protect the environment also means an increasing regulatory burden on economic activity, and one that is not always shared by competing locations. So environmental pressures on business are here, rising, and will not diminish.

Yet these costs are accompanied significant economic opportunities. Higher prices for conventional energy sources increase the viability of renewables and promote demand for technologies to reduce consumption. Greater fuel efficiency has obvious competitive advantages. For businesses in Kent, reducing environmental impact and taking advantage of new commercial opportunities will be essential in adapting to the need for a low carbon economy. Working together, the public and private sectors have significant ability to influence the market and build demand for new products and services.

Of course, these opportunities are not confined to Kent: local and national governments around the world are developing approaches to enable their areas to gain competitive advantage. So we need to understand where Kent's likely competitive advantage truly lies, and where we can act together to make a positive difference to the Kent economy. We can be sure that other regions will take advantage of emerging opportunities, even if we fail to do so.

Low Carbon Opportunities for Growth is therefore a pragmatic, opportunity-focused strategy through which Kent County Council and its partners can support a series of practical actions to take advantage of the county's opportunities.

[1] BIS/ DECC, The UK Low Carbon Industrial Strategy, July 2009, p. 12.

1.2. Where does this report fit in?: The policy backdrop

The policy background for *Low Carbon Opportunities for Growth* is substantial and is of course internationally influenced. At UK level, the **Stern Review** of the economics of climate change published in 2006 has led to a series of measures put in place by the Government to reduce the carbon produced by businesses and individuals. These have included the Climate Change Act, which introduces legally binding targets for carbon reduction, a Renewables Obligation on electricity suppliers to source their energy from renewables and measures to ensure that all homes built after 2016 are 'zero carbon' (with all non-domestic buildings following from 2019).

These regulatory policies have been accompanied recently by an emphasis from Government on the economic opportunities associated with environmental change. In particular, the **UK Low Carbon Industrial Strategy**, launched in July 2009, seeks to set out those areas in which Government action could be focused, building on allocations made in the 2009 Budget. *Low Carbon Opportunities for Growth* seeks to build on the UK Low Carbon Industrial Strategy by establishing in greater detail where additional action could support economic development in Kent. It also makes use of the data included in the UK Strategy.

At sub-regional level, the **Kent Environment Strategy**, currently in draft form, incorporates the vision for 2030 of:

A Kent with a thriving low carbon economy that drives a year on year reduction in green-house gas emissions, [where] all Kent businesses benefit from operating in a sustainable way and we are seen as a great location for green technology companies[2]

Low Carbon Opportunities for Growth seeks to directly support the Kent Environment Strategy by considering in further detail these economic goals and by setting out actions that will make the Environment Strategy an economic success.

Earlier this year, Kent County Council also produced its Regeneration Framework, **Unlocking Kent's Potential**. This set out a broad approach to the economic development of the county over the next twenty years, and focused on the development of environmental economic opportunities in the context of the need to have a better understanding of the sectoral composition and needs of Kent's economy as a whole. Following this, work is underway to develop a **Kent Sectors Strategy**, to which *Low Carbon Opportunities for Growth* will contribute.

The Regeneration Framework also sets out a commitment to building stronger links between **employers' future skills needs** and skills provision. This report identifies several areas in which skills shortfalls impose significant constraints on business development, and enabling providers to respond to these shortfalls will be a high priority in ensuring Kent's responsiveness to future economic change.

Low Carbon Opportunities for Growth is not therefore an isolated approach, but one which is directly connected with both the county's environment and economic development strategies.

[2] Kent Environment Strategy, 2009 (draft)

1.3. About the Strategy

Low Carbon Opportunities for Growth is intended as a discussion document, setting out some initial thinking, which will feed into the development of the Kent Sectors Strategy by the end of the year.

The rest of this strategy is structured in two parts. Chapter 2 summarises in more detail some of the economic opportunities for Kent, especially in relation to:

- Offshore wind
- Nuclear energy
- Carbon capture and storage
- Community heating systems and biomass
- Low carbon buildings and construction
- Clean technologies
- Electronics, ICT and remote working
- Business, consultancy and financial services
- Agriculture and land-based activities

For each of these sectors, Chapter 2 considers particular blockages to development and ways in which these can be overcome.

Finally, Chapter 3 proposes for discussion a medium term action plan which the Kent County Council and its partners can take forward over the coming years.

2. The opportunities for Kent

Summary

This section defines the economic opportunities that Kent may benefit from. It also highlights some of the market failures and other barriers that may need to be overcome, and sets out actions that Kent County Council and its partners may take.

2.1. Defining the opportunities

What do we mean by 'environmental economic opportunities'? For the purposes of this strategy, we have grouped them into three areas:

Firstly, opportunities in the **low carbon and environmental goods and services** (LCEGS) sector. Broadly, this sector covers those activities and products which aim to improve performance while reducing or eliminating negative ecological impact, and which improve the productive and responsible use of natural resources. In summary, the environmental technologies sector covers the following areas of activity (to which statistics relating to LCEGS relate):

- ***Environmental,*** including air pollution control, environmental consultancy and monitoring, contaminated land remediation, waste management, water supply and wastewater treatment, marine pollution control and recovery and recycling
- ***Renewable energy***, including wind energy generation, biomass, hydroelectricity and renewables consultancy
- ***Low carbon technologies**,* including building technologies, alternative fuels, carbon capture and storage, non-renewable but low carbon energy (e.g. nuclear power), carbon finance and energy management.

Secondly, **land-based** opportunities associated with increased demand for local production and the potential for new crop development as a result of climate change.

Thirdly, **competitiveness-improvement** opportunities within the rest of the economy, recognising that we will *all* need to reduce carbon consumption. The ability to do so at an early stage is likely to yield cost advantages and improvements in firms' competitiveness; conversely, failure to adapt to change will lead to long term disadvantage. We have therefore focused in *Low Carbon Opportunities for Growth* on the potential to achieve carbon reduction across the economy, as well as promoting specific opportunities in the low carbon and environmental goods and services sector.

The following sections set out firstly the scale of the opportunity for Kent, and secondly the specific areas of growth and intervention on which we will focus.

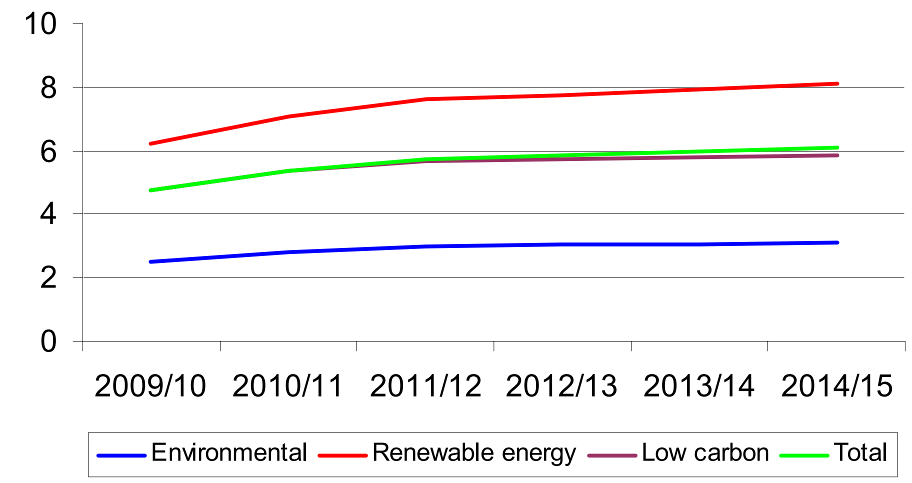
2.2. The scale of the opportunity

The global market for low carbon and environmental goods and services (LCEGS) alone was worth over £3 trillion in 2007/08, and is estimated to rise to £4.3 trillion by 2015. The value of the sector in the UK was £107 billion in 2007/08, representing 7.4% of GDP.

This makes the UK the sixth largest low carbon and environmental economy in the world, with over 880,000 people currently employed either directly or through the supply chain.

The LCGES sector is expected to grow at between 4 and 5 percent per year over the next eight years, creating around 400,000 new jobs, with particularly high growth rates forecast in renewable energy. Indeed, it is one of the few sectors of the UK economy expected to create jobs over the course of the current recession:

Forecast environmental technologies sector annual growth rates (%)[3]



Across the South East region, the sector contains around 6,600 firms employing 113,000 people and generating total sales of £13 billion in 2007/08[4]. The largest industries within the sector in the South East are renewable energy, alternative fuels and building technologies. Renewable energy is the fastest growing area (in terms of employees and market value) with wind, biomass, ground source and solar also performing strongly. Overall, the sector grew by 5% in the South East in 2007/08, with exports accounting for 11.6% of total regional sales.

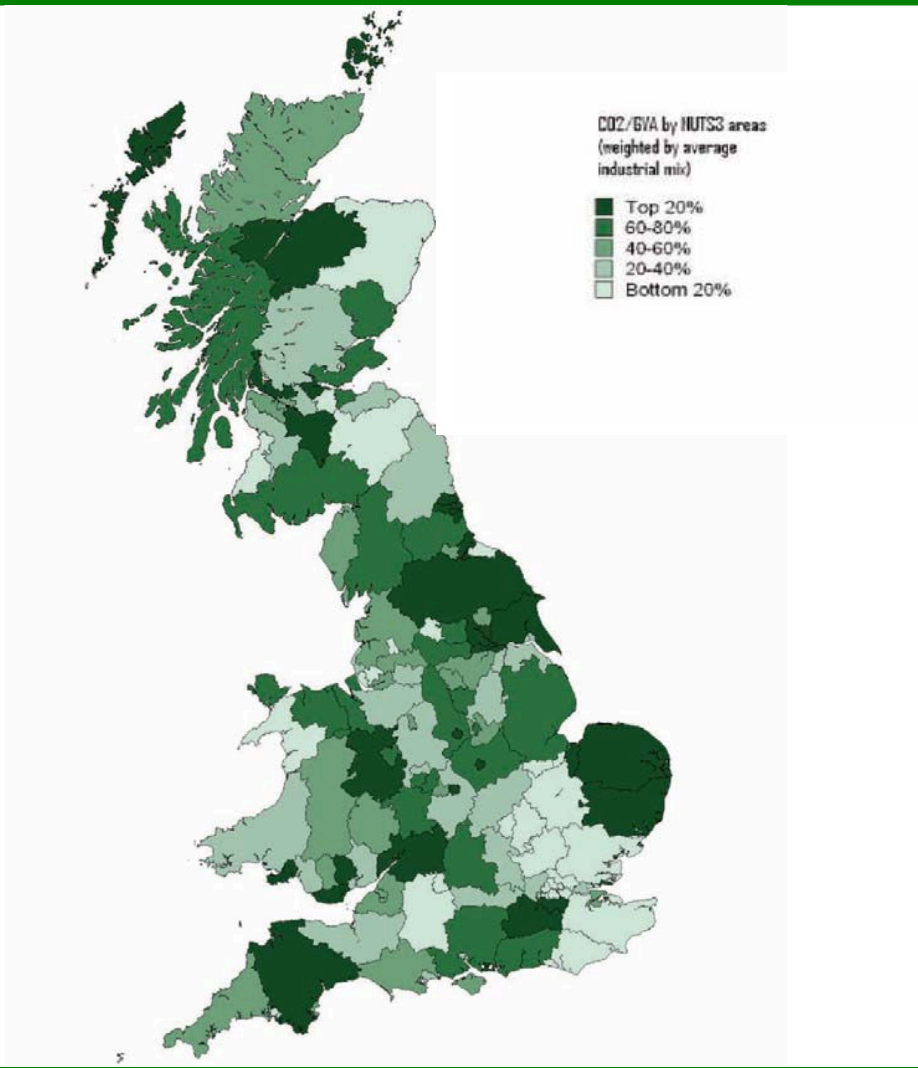
Estimates of the size of the LGCES sector in Kent are difficult to make, although as a rough estimate, approximately 17,500 people in Kent work in the sector. Clearly in developing a strategy to support environmental technologies, it would be valuable to carry out further work to quantify sector size and growth prospects at county level.

Turning to the wider economy, Kent is in a relatively favourable position to take advantage of pressures for greater energy efficiency. The energy intensity of industry in Kent (i.e. the amount of carbon emissions generated for every pound of GVA) is among the lowest in the UK, reflecting the relatively low representation in the economy of energy-intensive sectors such as chemicals, plastics and metals. Given that the costs of carbon reduction will obviously be greater in energy-intensive sectors, and given that

[3] BERR (2009). Calculations produced in December 2008
[4] BERR (2009), Low Carbon and Environmental Goods and Services: An industry analysis

there is a correlation between energy intensity and lower value production, this presents Kent with some initial advantages on which we can build.

Energy intensity of production in Great Britain[5]



The following sections consider the main opportunities for consideration in Kent, before turning to the potential impacts of carbon reduction on the wider economy.

2.3. Offshore wind

The opportunity

The UK has Europe's largest offshore wind resource and is at present the largest single market for offshore wind in the world. The Thames Estuary is one of three initial areas where projects are being developed around the British coast and where Crown Estates have issued licences to developers.

[5] BIS (2009), Towards a Low Carbon Economy: Economic analysis and evidence for a low carbon industrial strategy.

There are at present three key developments under way in Kent:

- ***Kentish Flats***, a completed development of 30 turbines serviced from Whitstable
- ***Thanet Offshore***, a development of 100 turbines currently under construction, using the Port of Ramsgate as its construction base and site for future operations and maintenance
- ***London Array***, a development of 271 turbines, with the first phase now proceeding, and a major new substation under construction at Graveney. The developers (DONG Energy and E.On) also intend locating future operations and maintenance at Ramsgate.

The scale of development (2GW) is significant and industry estimates suggest that up to 20,000 jobs could be created through wind farm development around the Kentish coast[6]. In particular, the county has a well developed electricity grid for power connections and has been able to meet the need for port services to support construction. Kent ports are also able to provide bases for new operations and maintenance facilities, creating more than 100 new jobs and an investment estimated at £544 million over the next twenty years[7].

In the longer term, there is also the potential to develop related business and services, in particular in skills and training, but also potentially in component manufacturing to support the industry's growth in the UK.

Potential constraints

One of the major challenges to the UK's ability to maximise the potential of offshore wind is the relatively late development of sector compared with overseas locations such as Germany and Denmark. This particularly affects Britain's ability to attract turbine manufacturers to locate their operations here (given existing bases abroad), or to develop new firms to enter the market (given the high costs of entry). Potentially, these challenges may be even greater for Kent, given that the county does not currently have a significant presence in the relevant manufacturing sector.

Given that offshore wind is a relatively new sector, but one in which other parts of Europe already have something of a head-start, other potential constraints on our ability to maximise local value may include a failure to adequately develop a local supply chain (including for support services), and a failure to provide the appropriate skills for the emerging industry. Clearly, these are linked and combined could provide a lost opportunity.

Overcoming the barriers

The Government is supportive of the objective of developing UK manufacturing capacity, and the 2009 Budget identified £120 million to support the development of the offshore wind sector, including funding for manufacturing and new technology demonstration projects. This represents a national response to what is a national industrial challenge.

However, there are also actions that partners can take locally to maximise opportunities for the sector:

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[6] DECC press release, 30 March 2009

[7] KCC/ BBP Regeneration, Rationale for Kent County Council investment in the Port of Ramsgate and the offshore wind farm industry, April 2008

- ***Market investment opportunities:*** Locate in Kent is already actively promoting offshore wind opportunities to UK, European and international companies, and recognises the sector as a key area for development
- ***Promote the development of a local supply chain***, by ensuring that the opportunities arising from major developments are publicised and that Kent businesses are supported to take advantage of them. As an initial action, a joint event between Envirobusiness (the South East sector consortium for environmental technologies) and London Array is planned for later in the year.
- ***Understand and respond to emerging skills demands**,* particularly in those parts of the county (such as Thanet) in which investment is likely to be greatest

2.4. Nuclear energy

The opportunity

Opportunities in the nuclear sector will increase over the coming years, as Britain's stock of existing nuclear power stations come to the end of its life. Even if nuclear energy's contribution to electricity generation remained at its current level, between six and eight new reactors will need to be built in the UK by 2025, and given the pressure to reduce carbon use, actual requirements are likely to be greater than this.

Kent already has a nuclear power station at Dungeness, due to be decommissioned in 2018. It is currently one of 11 sites nominated for the construction of a new station. If selected, the construction of Dungeness C is likely to take about five years.

Construction is likely to create 1,350 – 2,000 jobs; once up and running, the power station would be expected to operate for 60 years with a workforce of 400-600 (with a total number on site of about 1,000 taking into account the operation and decommissioning of the existing stations).

At present, the estimated value of Dungeness to the Kent economy is £30 million per year, which a new station would safeguard, potentially increase in the long term and significantly increase in the medium term during the development phase.

Potential constraints

The obvious constraint to development of the sector is the absence of a decision at the time of writing on whether to proceed with Dungeness C. Should the project not proceed, it is likely that some of the advanced skills currently based at the plant would be lost to Kent (although there would still be a temporary peak in investment due to the need for decommissioning).

Assuming Dungeness C goes ahead, the two main constraints identified nationally on making the most of industry opportunities are the ability of UK manufacturers to respond to potential nuclear demand (given the length of time since the UK last built a nuclear power station) and the supply of skilled workers needed to build, manufacture, operate and maintain the nuclear fleet[8].

[8] Nuclear Industry Association, The UK capability to deliver a new nuclear build programme, 2009.

Overcoming the barriers

Nationally, a number of actions are proposed, including[9]:

- Strengthening the Manufacturing Advisory Service to support civil nuclear industry suppliers
- Promotion of supply chain opportunities via the Nuclear Industry Association through a series of regional and sub-sectoral supply chain conferences
- The development of a new nuclear skills and capability plan via Cogent (the sector skills council for nuclear), ConstructionSkills, the Engineering Construction Industry Training Board and the Nuclear Decommissioning Authority

Kent-based actions that could usefully supplement this national activity are to:

- ***Maintain substantive awareness*** within the local public sector of the opportunities at Dungeness C, including (sequential to the work underway via the NIA) supply chain opportunities in Kent
- Alongside the development of the national nuclear skills and capability plan, ***work with the sector and relevant providers*** to establish and provide for the planned skills needs of a future nuclear development at Dungeness

2.5. Carbon capture and storage

The opportunity

Carbon capture and storage (CCS) technologies have the potential to reduce emissions from coal-fired and other fossil fuel power stations and other industrial processes by around 90%[10]. The technology involves mitigating the contribution of fossil fuel emissions to global warming by capturing carbon dioxide at point of source and then permanently storing it away from the atmosphere. The UK is playing a significant role in the development of CCS technologies and the Government is offering support for up to four full-scale demonstration projects.

In Kent, E.On is competing for a demonstration project in order to replace their existing coal-fired power station at Kingsnorth on the Isle of Grain with a new one utilising CCS, which would carry the carbon dioxide via pipeline to old North Sea gas fields where it would be stored.

At present, CCS technologies are in the very early stages of development and remain unproven. Should CCS be proven and utilised at Kingsnorth, it could lead to significant opportunities in Kent as a ‘pioneer’ location and the Government has identified the Thames Gateway (including Kingsnorth) as a potential location for a cluster of industries associated with CCs technology[11].

Potential constraints

As an unproven technology, the obvious barrier to the development of CCS in Kent is its failure to be utilised effectively. As with the preceding major capital projects, skills gaps and supply chain underdevelopment are also potential constraints should the project go ahead, although the evidence base for these is insufficiently developed at present.

[9] See Low Carbon Industrial Strategy, p32.
[10] Low Carbon Industrial Strategy, p33; IPCC, Carbon Dioxide Capture and Storage: A summary for policymakers, 2005
[11] BIS (2009), Towards a Low Carbon Economy: Economic analysis and evidence for a low carbon industrial strategy.

Overcoming the barriers

Proving the effectiveness of CCS features prominently in the Government's strategy nationally. Locally however, there would seem to be no specific interventions that local partners should take at this stage, other than to maintain an awareness of developments.

Rising to the skills challenge

A consistent theme throughout the sectoral analysis in this report is the need to improve skills at all levels of the workforce. For most of the low carbon sub-sectors, skills shortfalls impose significant barriers to their development.

Work is underway involving Kent County Council, further education providers and the offshore wind industry to develop effective provision to meet employers' skills needs. But there is more that could be done, in particular in harnessing the role of the county's higher education sector to support emerging industry.

2.6. Community heating systems and biomass

The opportunity

Community heat and power systems usually involve generating or utilising existing sources of energy locally and supplying them to homes and businesses via a heat main and/ or private wire network. This may involve developing a purpose built plant to run on low carbon or renewable fuel sources, or it could involve use of waste heat from power stations, industrial processes or incineration plants. Community heating technologies can be more reliable than conventional household boiler systems and can offer lower bills as well as cutting carbon emissions.

With around 137,000 new homes planned for Kent over the period 2006-26, there is considerable potential to develop local community energy infrastructure. The major growth points at Kent Thameside and Ashford are the most obvious locations but other regeneration projects at Queenborough and Rushenden on the Isle of Sheppey and Sittingbourne town centre also offer good prospects. Work to evaluate the potential for this solution to be applied in connection with these development areas is already being undertaken. In addition there is the potential to roll out smaller projects for campus style developments or large buildings in multiple occupation. For example, the NHS has recently committed to heating its new hospital development at Pembury in Tunbridge Wells using a biomass fuelled plant.

The Government has already put in place incentive structures to encourage partnerships between compatible heat generators and users and to encourage the roll out of community heating infrastructure to support new housing development. This technology is likely to create new business opportunities for companies involved in the supply and servicing of heat networks.

Renewable biomass resources are available throughout Kent, and can include coppiced wood, sawdust, arboricultural trimmings, energy crops, gas from landfills, sewage treatment and biodegradable wastes. The County Council is currently developing a wood based biomass project to supply locally sourced wood fuels to schools and public buildings. Through this initiative it is hoped to support the development of local supply chains and stimulate the market for renewable heat in Kent.

Potential constraints
Potential barriers include additional capital costs associated with putting in place community heating systems within new developments and the need to generate demand and demonstrate the viability of small-scale generation.

Overcoming the barriers
Given the local scale of community heat and power systems, there are several measures that local partners in Kent can take to promote opportunities in the sector, including:

- ***Stimulate demand*** through the development of local fuel systems in new public buildings such as schools and health facilities
- Ensure through the ***master planning of major new developments*** and through work with developers that provision is made where possible for community power systems
- Develop ***exemplar facilities*** at major developments where there is a significant public sector contribution to development (such as at Queenborough and Rushenden).

2.7. Low carbon buildings and construction

The opportunity
Buildings have a major role to play in reducing carbon emissions, with the Carbon Trust estimating that buildings account for around 40% of the UK's carbon emissions (of which domestic properties make up about half). At the same time, the construction industry is one of Kent's most important sectors, accounting for around 8% of the county's GVA and employing some 36,000 people in 2007 (although this figure will have fallen significantly over the past year as a result of the recession).

Demand for change in the construction sector will partly be driven by increased Government regulation, including the aspiration for all new residential buildings to be zero carbon by 2016, followed by non-domestic buildings in 2019. While imposing additional costs, this also presents opportunities for the design and build of low carbon buildings.

However, some of the most significant opportunities exist in improving the energy efficiency of existing buildings, given that around 70% of the building stock of 2050 has already been constructed. This would present savings to occupiers as well as business opportunities in the provision of energy saving solutions. Within Kent, it is estimated that there are around 490,000 homes in need of insulation improvements, a market worth about £145 million which will of course be supplemented by demand from businesses.

Potential constraints
As in many other areas in the development of the low carbon economy, skills shortages are estimated to be significant, especially among those skills required for retrofitting existing buildings[12]. At the same time, if suitable provision can be made in Kent, this may well present opportunities for Kent-based construction firms and for the earning potential of Kent industry employees.

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[12] BERR (2008), Strategy for Sustainable Construction.

The other major constraint relates to demand and evidence that improved energy efficiency in new build homes does not attract the increase in value that the additional investment requires.

Overcoming barriers

Nationally, the Government has launched a number of measures to stimulate demand for retrofit, including increased home energy advice and the proposal for new finance packages. However, there is potentially a major role that local partners could play in ***building the retrofit market*** by providing joint funding with private homeowners and with social housing providers to retrofit existing properties in the county. An outline of a potential scheme is set out in the box below.

Building a retrofit market in Kent
With 490,000 homes in Kent in need of improved energy efficiency, retrofit of modern insulation could save the average household £200 per year and generate a market for local businesses worth £145 million. Public investment of £20 million, matched by utility companies could retrofit 60,000 homes. Focusing on those parts of the county in greatest need of regeneration, this could help to support 100,000 households. Potential contributors could include Kent County Council and utility providers as well as district councils and health bodies. Further work will need to be done to fully establish the viability and funding mix for such an initiative, but if successful, it could have a major impact on the development of the retrofit market in Kent and complement the County Council's existing housing initiatives, such as the development of the Kent Housing Strategy and the successful empty homes programme.

A number of major projects are already underway to overcome some of the skills barriers to development of the low carbon construction sector, including:

- Developing the network of ***Skills Centres*** throughout the county focusing on the future skills required by the construction industry; and
- Taking forward ***Suscon*** at Ebbsfleet as a centre of excellence in sustainable construction associated with the major development opportunities in the Thames Gateway.

2.8. Clean technologies

The opportunity

As pressure increases for a lower carbon economy, demand increases for new technologies, products and processes. Some of these have already been highlighted above and include products required in insulation, construction materials and wind power. In addition, demand is increasing for less carbon-intensive crop protection and fertilisers, technologies to increase motor vehicle fuel efficiency and the development of micro-renewable solutions, such as solar power.

Nationally, the UK has strengths in particular in the growing industrial biotechnology sector, in which Kent has some R&D presence.

Potential constraints
Some of the constraints on the development of Kent's potential in the clean technologies sector have been highlighted above, for example in the development of local supply chains for the major investments that could potentially be areas of strength for the county.

Associated with this, a nationally-recognised barrier to innovation in emerging technologies is the initial cost associated with their development and the uncertainty to investors of the potential return and a lack of public sector support for commercialisation of new technologies as opposed to R&D [13]. Investment may therefore not match eventual market potential and recent survey evidence suggests that this may be exacerbated by general investor caution at a time of recession[14].

Investment shortfall is also likely to be most pronounced in SMEs, which make up the majority of firms operating in the clean tech sector, and in the relatively fragmented market conditions that tend to apply in Kent in relation to new technology development generally (in contrast, for example, to areas such as the M11 Corridor and the Thames Valley). Limited access and promotion of sector specific business support is therefore likely to provide a further constraint to development, associated with limits on investment.

Overcoming barriers
In the short term, there is a need to better understand the specific needs of environmental technology businesses in Kent. However, public sector action at local level could be focused on:

- ***Providing additional, sector-specific business support***, in conjunction with Business Link and Envirobusiness, the environmental technologies sector consortium
- ***Developing local financing support programmes*** targeted at gaps in current public sector funding provision and in response to current recessionary pressures
- ***Raising demand***, for example through specifications in public buildings (see Section 2.7) and through public sector procurement requirements.

2.9. Electronics, ICT and remote working

The opportunity
In addition to those employed directly by the ICT sector the majority of the workforce is of course engaged in occupations that are impacted heavily by the development of information and communications technology.

Electronics and ICT present two key areas of opportunity for Kent. Firstly, demand will increase for electronic devices with applications in low carbon products (for example in photovoltaic solar cells, or in the management of heating and ventilation systems)[15]. Secondly, improved use of ICT presents opportunities to generate carbon savings throughout the economy, through reductions in the need to travel and the provision of 'virtual' services and products as substitutes for physical goods. This offers particular

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[13] BERR (2009), IB 2025: Maximising UK Opportunities from Industrial Biotechnology
[14] EIC Environmental Investment Network (2009), The Green Funding Challenge: Environmental investment goes missing in the recession
[15] European Commission (2009), Impact Assessment: Mobilising Information and Communication Technologies to facilitate the transition to an energy efficient, low carbon economy

economic opportunities for Kent given the county's partially rural nature and the greater propensity for home based businesses to be established in rural areas[16].

The majority of SMEs in the South East increased ICT use in 2008/09, giving the potential to reduce travel-related costs and carbon emissions, even if these were not the main motivating factors[17].

Potential constraints
Constraints in relation to the development and commercialisation of ICT products may be considered in the same way as those identified for the wider environmental technologies sector in Section 2.8, with small technology companies facing similar market failures in the supply of finance[18].

Regarding greater use of ICT to reduce transport requirements, a further barrier locally remains a shortfall in the provision of business broadband, especially in rural areas.

Overcoming barriers
The actions set out in Section 2.8 will also support the development of the electronics and ICT sector. Further ***investigation of solutions to extend telecommunications infrastructure*** will also support the further development of homeworking and virtual products and services.

2.10. Business, consultancy and financial services

The opportunity
Despite the impact of the current recession, employment growth in business and financial services has been strong in recent years, with the sector currently accounting for 111,000 employees and the sector forecast to continue to grow over the coming decade.

Low carbon opportunities in business and financial services cover a number of areas, including:
- Environmental monitoring services
- Environmental consultancy, including regulatory compliance services
- Renewables and energy consultancy
- Carbon financing

Demand for environmental consultancy services focused on ensuring regulatory compliance and cost reduction is expected to grow strongly, with a national 31% increase in demand for environmental and economic advice between 2007 and 2008[19].

Potential constraints
There are few limits to the development of the business, consultancy and financial sectors, and the barriers to entry (for example, in terms of start-up finance) are less likely to be problematic than for firms concerned with technology development and commercialisation.

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16 Kent County Council
17 Business Link (June 2009), South East Business Monitor
18 BERR (2009), UK Low Carbon Industrial Strategy
19 BERR (2009), Low Carbon Industrial Strategy

Overcoming barriers
It is unlikely that there are any specific actions required at local level to support the development of opportunities in this sector, other than the delivery of business support services currently provided through organisations such as Business Link. However, further work could be done with firms currently in the sector to assess whether any expansion of existing services would be beneficial.

2.11. Agriculture and land-based activities

The opportunity
Agriculture accounts for around 1% of Kent's GVA, but will account for 5% of the Government's target for reduction in carbon emissions by 2020. Increasing technological reliance in agriculture and increasing transport have increased the sector's carbon footprint. However, there are several opportunities available to business in Kent, including:

- Increasing demand for locally produced food (i.e. Kentish produce for local consumption)
- Increasing demand for production of otherwise imported produce for the domestic market to reduce travel costs (reflected in the development within Kent of Thanet Earth)
- Potential for the development of alternative forms of energy production (such as food waste-to-energy through anaerobic digestion or production of biomass)
- The presence within the county of centres of land-based research and development, such as HRI at East Malling

Potential constraints
Marketing and difficulty of access to major distribution channels presents a potential barrier to the development of the local produce market, although one which investment over several years has been successfully overcoming. Planning constraints present an additional potential barrier in the case of larger food production centres or waste-to-energy facilities

Overcoming barriers
Continued support for local produce marketing, such as via Produced in Kent, will help to overcome some of the marketing constraints that would otherwise exist. The sector may also benefit from the actions set out in relation to clean technologies (for waste reducing technologies for agricultural application) and localised energy generation set out above.

2.12. The wider economy

The opportunity
Aside from the specific opportunities in 'low carbon' sectors, there is considerable potential for businesses in non-LGCES parts of the economy to benefit from the transition to lower carbon use.

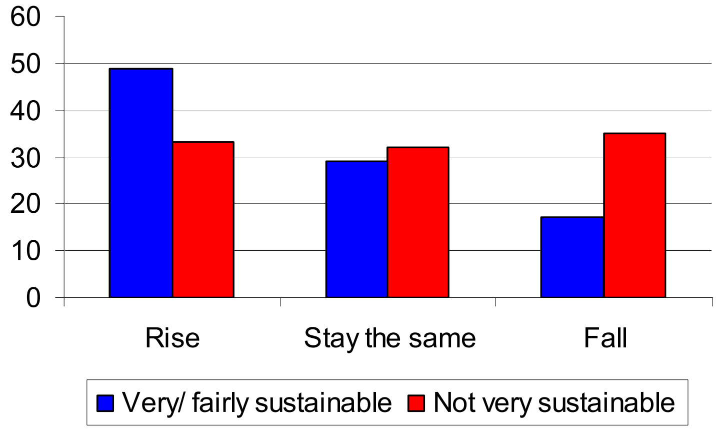
Rising customer demand (from the private as well as the public sectors) for improved environmental sustainability is also increasing the need for firms to reduce carbon emissions. Within the South East, 36% of SMEs reported that their customers expect them to have 'green credentials', with 49% believing that this will help to give their businesses a competitive edge[20]. This seems to be generally borne out by firms'

[20] Business Link (June 2009), South East Business Monitor

predictions of their future prospects, with those considering their businesses to be environmentally 'sustainable' generally anticipating higher turnover during the year ahead[21].

Future turnover and estimates of sustainability[22]

Businesses' estimates of the following year's turnover compared with their assessment of their own environmental sustainability (2008)



Potentially therefore there are marketing gains from carbon reduction - even if these cannot be translated into specific financial benefits - and the number of SMEs implementing 'sustainable business practices' (including waste and energy use reduction) has increased over the past three years.

Potential constraints

Given increasing levels of activity to implement lower carbon business practices, it would seem that lack of information is not a significant constraint, and the market seems to be moving in the direction of a greater willingness to reduce energy consumption and waste. However, the capital costs of doing so may be prohibitive in some cases, especially for firms in those sectors where customer pressure is lower.

Overcoming barriers

Given the efforts made over the past couple of years to streamline and clarify the business support system and given the generally high levels of awareness of opportunities highlighted above, the requirement for additional support and awareness programmes (other than those that already exist through for example Business Link or sector-specific bodies) is probably limited.

However, there may be value in ***direct support interventions*** (for example grants or loans to SMEs to enable them to reduce energy consumption). Recent survey evidence suggests a frustration with the number of public sector grant and loan products and their accessibility and any potential new product would need to be considered with this in mind.

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[21] SEEDA/ Business Link (May 2009), Annual South East Business Sustainability Survey
[22] SEEDA/ Business Link (May 2009), Annual South East Business Sustainability Survey

3. Realising Kent's low carbon economic opportunities

3.1. Towards an action plan

Chapter 2 set out a range of opportunities - across a variety of sectors - that are open to Kent from the move to an increasingly low carbon economy. It also identified some of the county's key strengths: as a nationally important location for offshore wind; as a county able to build markets for renewable construction and localised energy supply; and as an economy that already benefits from having a relatively low level of industrial energy intensity.

Yet we also face challenges in realising these opportunities, which Chapter 2 also highlighted. And of course, almost every region throughout Europe recognises the pressure to move to a lower carbon economy – so failing to develop these opportunities in Kent will leave the county at a competitive disadvantage.

Section 3.2 attempts to translate some of the potential areas of activity into an outline action plan. This identifies a series of actions under the headings of:

- ***Increasing demand:*** Actions through which public sector intervention can help to create low carbon markets in Kent, providing business and employment opportunities.
- ***Support to business:*** Actions through which the public sector can assist Kent businesses in developing innovative low carbon products or services, becoming part of the supply chain for major projects or improving their sustainability
- ***Developing skills:*** Actions through which the public sector can ensure provision of the skills that the low carbon economy needs – and ensure that the people of Kent are able to access future employment opportunities
- ***Increasing market knowledge:*** Actions through which we can ensure that we have a sufficiently informed awareness of the market for low carbon goods and services

This action plan is a 'menu' of activities which KCC and its partners can take forward to feasibility stage and beyond, depending on resource availability.

As an overall next step, further pre-feasibility work could be carried out against all the potential actions to establish a shortlist of interventions for further consideration.

3.2. The action plan

	Action
	A. Increasing demand
A1	**Develop the retrofit market** Goal: Stimulate jobs and opportunities in the domestic and commercial retrofit market *and* reduce energy costs and emissions Medium-term project: Programme to retrofit housing in Kent, focused initially on the county's most disadvantaged areas, with potential for expansion to commercial sector. Immediate action: Assess cost, viability and funding sources for such a project. Anticipated timescales: Target for viability assessment December 2009; potential programme start April 2010. Indicative costs: Viability assessment: £50,000. Total project: Potentially up to £20 million.
A2	**Develop demand for localised energy solutions** Goal: Increase demand for and awareness of biomass, wood fuel and solar energy generation Ongoing project: Develop KCC and other public sector buildings to incorporate biomass and other renewable energy facilities. Immediate action: Review success of developments to date and potential areas for improvement. Indicative costs: At present, zero in addition to sums already allocated.
A3	**Build demand for low-carbon solutions in new developments** Goal: Increase informed and market-aware demand from planners, developers and others involved in the development process for sustainable energy solutions. Short-to-medium term project: Programme of information and events for planners and other development partners. Immediate action: Project development and costing. Indicative costs: Development and costing: Zero additional Total project: Potentially around £100,000.
A4	**Attract major inward investment in the renewable and low-carbon energy sector** Goal: Increase the presence of major investors in offshore wind, carbon capture and storage and nuclear energy

	Action
	Ongoing projects: Develop marketing prospectus for renewable and low carbon energy companies (building on existing work by Locate in Kent and KCC Build relationships with major investors (linked with Action D1) Indicative costs: Zero additional to resources already allocated within Locate in Kent and KCC.
A5	**Build the market through procurement** Goal: Use the public sector's role as a purchaser to encourage firms to adopt energy reducing technologies. Ongoing project: Provide advice to firms in public sector supply chain. Indicative costs: Zero; currently delivered. Short-to-medium term project: Increase requirement for carbon reducing measures through public sector contracting. Indicative costs: To be determined
	B. Support to business
B1	**Venture capital for LGCES businesses** Goal: Accelerate the development of small and medium sized enterprises in emerging and potentially high growth low carbon sectors. Medium-to-long term project: Establish grant and/ or loan fund for SMEs based in Kent operating in the environmental, renewable energy and low carbon technology sectors for innovative projects and business plan development. Potentially, this fund could be combined with similar measures for high-growth businesses in other sectors, based on the emerging Sectors Strategy and KCC's commitment to a sectorally-based approach Immediate action: Develop feasibility for a grant and/ or loan fund. Indicative costs: Feasibility study: £50,000 Total project: Potentially around £1 million
B2	**Enhanced business support package for LGCES businesses with high growth potential** Goal: Accelerate the development of small and medium sized enterprises in emerging and potentially high growth low carbon sectors. Medium-term project: Establish a programme of business advice and support, consistent with that offered by Business Link, to fill the 'gap' between generic business support and that offered by the Innovation and Growth Team to a limited number of high growth firms. Essentially, this would operate as a 'pre-IGT' programme. This could run in parallel with Project B1.

	Action
	Immediate action: Develop feasibility and costs, in conjunction with Business Support Kent. Indicative costs: Feasibility study: £10,000 Total project: Potentially £50-100,000
B3	**Supply chain awareness and development** Goal: Enable Kent businesses to access supply chain opportunities presented by major LGCES investment. Short-to-medium term project: Develop programme of events and publicity for Kent businesses in conjunction with Business Link, Envirobusiness South East, Kent Districts and Backing Kent Business partners. Immediate action: a) Event linked with opportunities at London Array in development for early 2010; b) Develop programme Indicative costs: Minimal in addition to existing resources
B4	**Low carbon business grants scheme** Goal: Reduce carbon footprint of non-LGCES SMEs in Kent Medium-term project: Provide programme of small grants to SMEs in Kent to enable them to take advantage of energy-reduction measures (e.g. insulation retrofit or specific industrial processes). Immediate action: Carry out feasibility study and analysis of compatibility with existing schemes. Indicative costs: Feasibility study: £20,000 Total project: Potentially £250,000
	C. Developing skills
C1	**Suscon** Goal: Establish a centre of excellence for sustainable construction. Medium term project: With the higher and further education sectors, establish a centre of excellence at Ebbsfleet, associated with the major development of Kent Thameside. This project currently has indicative funding from the Homes and Communities Agency. Immediate action: Progress existing proposals Indicative costs: £2 million, in conjunction with SEEDA and other partner agencies
C2	**Skills for sustainable construction and engineering** Goal: Improve skills for 14-19 learners in sustainable construction and related

	Action
	fields to develop their future career options. Ongoing and developing project: Develop network of Skills Centres around the county to provide modern, advanced skills training in vocationally-relevant environments associated with industry. Immediate action: Progress current projects and employer links. Indicative cost: Already underway.
C3	**Skills for renewable energy** Goal: Link available skills training offer in areas likely to see new investment in renewable energy (such as Thanet) with future employer demand. Short-to-medium term project: Liaise with employers to establish demand and with further education colleges and other providers to ensure that the skills training provided is appropriate to the needs of employers. Linked with transfer of 16-19 commissioning powers to KCC. Immediate action: Already underway. Indicative cost: Zero additional; within framework of 16-19 commissioning.
C4	**Build university-business links** Goal: Improve the links between Kent's higher education institutions, industry skills requirements and business development Immediate project: Map existing university expertise and spin-out potential and link with identified skills gaps and potential new opportunities Indicative cost: £5k consultancy.
	D. Increasing market knowledge
D1	**Consolidate market analysis** Goal: Establish a comprehensive but practical understanding of the needs of the LGCES sector in Kent and the state of its sub-sectors in order to inform policy and project development Short-to-medium term project: Based on this report, consider further and keep under review the markets, needs and potential interventions associated with the sector, in conjunction with Envirobusiness, Business Link, other business support organisations and the higher education sector. Immediate action: Ongoing; immediate start Indicative costs: Zero in addition to current resources

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By:	Kevin Lynes Cabinet Member for Regeneration and Economic Development David Cockburn Executive Director, Economic Development, Strategy and ICT
To:	Regeneration and Economic Development Policy Overview and Scrutiny Committee 12 November 2009
Subject:	Local Economic Assessment, partnership structures and devolution
Classification:	Unrestricted

Summary:

New legislation presents opportunities for increased economic devolution to sub-regional level. These include a new duty on Kent County Council to prepare a Local Economic Assessment for the county and new proposals for partnership structures at sub-regional level with greater democratic accountability.

This report summarises these opportunities. It sets out the purpose and anticipated scope of the Local Economic Assessment and the likely mechanisms for taking it forward in partnership with Medway Council and the Kent Districts.

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1. Introduction

1.1. In 2006, the Government carried out a review of economic development activity at the regional and sub-regional levels. This concluded that local authorities should play a stronger role in economic development and regeneration, and that economic decision-making should be increasingly devolved to local and sub-regional level, with democratic leadership. KCC responded positively to the general direction of this review.

1.2. Since then, the Government has brought forward the Local Democracy, Economic Development and Construction Bill, which is currently going through Parliament and is likely to be implemented from April 2010. This contains a number of measures intended to facilitate increased devolution to sub-regions, including:

- A new requirement on county and unitary authorities to carry out assessments of the economic conditions of their areas;

- The introduction of new 'single regional strategies' linking economic development and spatial planning, which the local economic assessments will inform;
- The development of joint approaches to investment planning between local authorities, regional development agencies, the Homes and Communities Agency and other partners, again informed by local economic assessments; and
- A series of possible arrangements for the delivery of economic development at sub-regional level.

1.3. In addition, a number of additional developments have given added impetus to the devolutionary agenda. In particular:

- Commissioning powers for 16-19 skills provision will be transferred to KCC from the Learning and Skills Council in 2010. In exercising these powers, KCC will work closely with Medway Council as part of a Kent and Medway sub-regional commissioning group;
- The recent review of the role of local authorities in tackling worklessness recommended an enhanced role for local authorities, largely working on a sub-regional basis; and
- SEEDA has recently made substantial spending cuts and is withdrawing from a number of areas of activity, some of which may need to fall to partner organisations.

1.4. There is therefore a strong movement in the direction of sub-regional devolution in which KCC can play a leading role. However, much of our ability to lead this will depend on the extent to which we can develop effective and sustainable economic partnership structures with Medway and the county's district authorities.

2. The Local Economic Assessment duty

2.1. Under the Local Democracy, Economic Development and Construction Bill, upper tier authorities will be required to produce Local Economic Assessments for their areas. The Assessment is intended to be a robust and evidence-based exercise, which will provide KCC and its partners with a strong understanding of the economic character of the county, including its strengths, weaknesses, opportunities and challenges, as well as diversity within the county.

2.2. The Local Economic Assessment will also have a role in informing:

- Future Local Development Frameworks, developed by District planning authorities
- Future Regional Strategy
- Future Local Area Agreement negotiations
- The establishment of new arrangements for the delivery or coordination of economic development in Kent (see Section 3 below).

2.3. Within draft guidance from Government, it is expected that the Assessment will take a broad approach to the economy, and will cover:

- An analysis of the county as an employment and business development environment, including its sectoral composition
- Enterprise and innovation
- An analysis of current skills levels and identified skills gaps
- Worklessness (linked with the duty on authorities – including KCC - gaining Future Jobs Fund monies to prepare preliminary worklessness assessments)
- Deprivation (linked with the future duty on the County Council to prepare an assessment of child poverty)
- Commercial and residential development
- Infrastructure provision and needs
- Environmental constraints and opportunities

2.4. Responsibility for producing Local Economic Assessments clearly rests with upper tier authorities. However, District Councils will have a duty to co-operate with KCC, and KCC will have a duty to engage and fully involve the Districts. This relationship will be important, given that the Assessment will need to inform District Local Development Frameworks, and given that the Assessment will also need to consider evidence gathered at local level.

2.5. As a unitary authority, Medway Council also has a responsibility to prepare a Local Economic Assessment. However, the draft legislation permits neighbouring authorities to prepare a joint Assessment, and encourages them to do so where there are close economic links and a history of joint working. Given the sub-regional emphasis of the Government's approach and the strong existing linkages between Medway and the KCC area, there is a clear logic in developing a Joint Assessment.

2.6. In order to manage a joint Assessment between KCC and Medway, and to ensure the full involvement of the Kent Districts, it is proposed that a Joint Commission is established between Medway and KCC, to which District representatives would also be invited. This will be the subject of a report to Cabinet in November.

2.7. Although the Economic Assessment duty is unlikely to become a statutory responsibility until 1 April 2010, we are encouraged to progress it sooner, and it would be in Kent's interests to do so, bearing in mind the potential value of the Assessment as the basis for future resource prioritisation. It is therefore anticipated that a significant amount of the work will be completed (at least in draft form) by the end of March next year.

3. Arrangements for the delivery of economic development activity at sub-regional level

3.1. The current Bill proposes a range of possible arrangements for the delivery of sub-regional economic development. Essentially, these fall into two main types of arrangement:

- Multi-Area Agreements: voluntary arrangements between local authorities, partner agencies and central Government, within which the partners commit to targets in exchange for specific policy freedoms and flexibilities
- Economic Prosperity Boards (EPBs): statutory, local government-led sub-regional bodies for economic development and regeneration. The purpose of an EPB is to provide a more stable partnership-based mechanism for decision-making, as well as a more accountable one. Elsewhere in the country, a number of counties have established non-statutory Leaders' Boards (generally replacing their existing economic partnerships) as precursors to an eventual EPB.

3.2. In the Regeneration Framework, KCC has made a commitment to pursuing an Economic Prosperity Board. Establishing this is likely to require a review of existing economic partnership arrangements at county-wide level, as well as further analysis of the roles that the EPB (or equivalent body) would undertake.

4. Other impacts of current legislation

4.1. The Local Democracy, Economic Development and Construction Bill also contains two other measures which are relevant to regeneration in Kent.

4.2. Firstly, the Bill proposes single regional strategies to supersede the current South East Plan and Regional Economic Strategy. Responsibility for producing the single strategy will rest with local government and SEEDA, and Local Economic Assessments are expected to inform it. In the South East, a Partnership Board has already been established between SEEDA and the local authorities to take forward regional planning duties.

4.3. Secondly, the Bill anticipates a joint investment planning approach between local authorities, the Regional Development Agency and other partners. This aims to enable partners to plan and deliver interventions related to the single regional strategy and identified through Local Economic Assessments. Within Kent, KCC, Medway and the Districts are working with the Homes and Communities Agency on a pilot local investment plan for North Kent, which is due to be completed this financial year. Looking to the future, enhanced mechanisms for joint working (as outlined in section 3) are likely to support Kent's ability to benefit from any future joint approach.

5. Potential change of government

5.1. While there may be a change of government during the next year, there is a partial consensus between the two main parties on the desirability of devolution of economic development powers to local authorities. The Conservative Party's Green Paper, *Control Shift: Returning Power to Local Communities* proposes the establishment of local enterprise partnerships covering groups of local authorities to take over economic development powers from the RDAs. There is therefore a logic in proceeding with the Local Economic Assessment in advance of the duty going 'live', and in reviewing economic partnership arrangements in preparation for a continued localisation agenda (probably based on groups of local authorities) regardless of the outcome of the next general election.

6. Opportunities for Kent

6.1. Emerging from the Local Democracy, Economic Development and Construction Bill there are two key opportunities for Kent.

6.2. Firstly, the new Local Economic Assessment duty provides a new opportunity to work jointly with District authorities and with Medway to develop a stronger understanding of the dynamics of the local economy, and to ensure that this understanding has a substantive impact by informing the local (and regional) planning processes. Kent does have something of a ‘head start’ in relation to this work, given the previous work that has been carried out on Kent Prospects and, more recently, the analysis contained in the Regeneration Framework and the strategies sequential to it.

6.3. Secondly, an Economic Prosperity Board or a similar vehicle may have the potential to aggregate at Kent and Medway level funding currently allocated at national or regional level, and to channel funding more effectively to joint priorities. This is likely to be increasingly valuable in the context of falling national regeneration budgets.

6.4. However, given that the approach of Government recently has been to grant additional economic powers on a variable basis to those groups of local authorities that have put in place workable mechanisms to deliver them (for example through the Multi Area Agreement process), developing an effective economic partnership between the local authorities is likely to be an essential precursor to any form of EPB. As noted in Section 1, KCC’s ability to lead in areas that may potentially be devolved will also depend to some extent on the creation of local authority partnerships within the county. It should also be noted that authorities in some other parts of the country (primarily in the Northern and Midland city regions) are somewhat more advanced in developing new models of sub-regional working than we are in Kent. While this is partly linked with the urban focus of the Government’s agenda, it does also mean that we need to move fairly quickly to establish the right mechanisms if we are to take advantage of the potential devolutionary offer.

7. What next?

7.1. Discussions have taken place with Medway Council to undertake the Local Economic Assessment jointly, and in conjunction with the Kent Districts. These envisage the establishment of a joint commission as an informal task-and-finish body jointly chaired by KCC and Medway to oversee the development of the Local Economic Assessment.

7.2. It is anticipated that a paper will be taken to Cabinet in November to confirm KCC’s involvement in this approach.

8. Recommendations

8.1. The Policy Overview and Scrutiny Committee is recommended to:

- Note the duty on KCC to carry out a Local Economic Assessment and the potential new mechanisms for sub-regional economic development set out in the Local Democracy, Economic Development and Construction Bill; and

- Consider the opportunities and issues that these present for Kent

Background documents

Department for Communities and Local Government (August 2009), Local Economic Assessments: Draft Statutory Guidance
http://www.communities.gov.uk/publications/localgovernment/localeconomicassessments

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By: **Kevin Lynes, Cabinet Member, Regeneration and Economic Development**

David Cockburn, Executive Director Strategy, Economic Development & ICT

To: **Regeneration and Economic Development Policy Overview and Scrutiny Committee 12 November 2009**

Subject: **Update on Major Projects**

Classification: **Unrestricted**

Summary:

This report provides an update to Members on the progress of major regeneration projects.

It further provides an update of bids coming forward for funding from the Regeneration fund.

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1. Introduction

1.1 The Regeneration Framework defines 5 priorities and 2 cross cutting themes:

1. Building a new relationship with business
2. Unlocking talent to support the Kent economy
3. Embracing a growing and changing population
4. Building homes and communities…. not estates
5. Delivering growth without transport gridlock

And

- Minimise environmental costs and address the challenge of climate change
- Diversity of Kent's communities.

Clearly, successful regeneration will be dependent upon all directorates playing a role - whether this be CFE through improving education attainment levels or EHW through delivery of new highway schemes or improved public transport. Progress against these projects will be picked up as part of the monitoring framework for the Regeneration Framework and by specific directorate related POSCs.

1.2 Therefore, this report will focus on those major projects being delivered by Regeneration and Economy.

The tables that follow present progress against projects in Thanet, Dover, Kent Thameside and Ashford and for Backing Kent Business, Backing Kent People and No Use Empty. A summary is also presented showing those bids that are coming forward for support from the Regeneration Fund.

Project	Summary of project outcome	Cost of Project KCC/Partners £	Key milestones/ activities to date	Progress since last quarter	Actions planned for next quarter
Thanet - Lead Officers as listed					
East Kent Opportunities LLP Theresa Bruton	Limited liability partnership created by KCC and Thanet DC to develop land holdings at Manston Business Park and Euro Kent adjacent to Westwood Cross	KCC purchased Manston Park landholdings in June 2006 £5.35m. Now sits alongside TDC equivalent landholding at EuroKent in the LLP	Euro Kent spine Road opened November 2008	Negotiations with existing occupier at Manston to purchase land continues and Heads of Terms have also been issued to an adjoining landowner	Planning application for EuroKent (Westwood) site to be submitted early 2010 and relationships with key stakeholders remains positive
Rendezvous site development Keith Mackenney	On the seafront site adjacent to Turner Contemporary development work is underway to bring forward a planning application for a quality mixed-use development at the eastern end of the Rendezvous site that is sympathetic to the Turner gallery and provides strong and effective linkages to the Old Town and the Winter Gardens. R&E working with Thanet District Council, to transform the Grade 2 listed, Winter Gardens into a successful, modern operation	Total cost will be determined by the eventual direction of the project.	Officers from KCC and TDC have been working with CTM Architects to bring forward a mixed- use development proposal after the withdrawal in 2008 of development partner, Gleeson	The initial scheme involving a quality hotel and residential development has been reviewed and options are being considered linked to the Winter Gardens where discussions are taking place to explore TDC's aspirations for the site in the context of other development planned for Margate's eastern seafront	Once design and viability work has been completed, a decision on the way forward will be reached in early 2010

Project	Summary of project outcome	Cost of Project KCC/Partners £	Key milestones/ activities to date	Progress since last quarter	Actions planned for next quarter
Development on the Dreamland site Keith Mackenney	To work with the Margate Renewal Partnership and site owners to deliver the Dreamland Entertainment Complex & Heritage Amusement Park on the 10 acre site around the listed cinema and scenic railway.	£12.4m (Phase 1) comprising: SeaChange£4m HLF £3m TDC £0.75m Developer £4m	- Business Plan produced (early 2009) - Bids made to Sea Change and HLF in April 2009 - Rides acquired for the amusement park by early 2009. - Dreamland Trust created to front bids and operate the attraction	Result of Sea Change bid delayed by DCMS. HLF bid dependent upon this.	· Result of Sea Change bid expected by end Nov 2009. · Project Director to be appointed Dec 2009. · Negotiations with site owners to be concluded by early 2010.
Dover - Lead Officer: David Hughes					
Dover Priory Station Approach Environmental Improvements	Improvements to public realm next to Station and along part of Folkestone Road towards town centre	Total project cost - £2m. Funded by KCC (£1.1m), Network Rail (£0.7m), SEEDA (£0.1m), INTERREG (£0.12m) and Dover DC (£0.05m)	Main works contract awarded to Jacksons Civils in August 2009 following tender process over early summer. Works started early Sept and will be completed in March 2010	Works started on Folkestone Road. Landscaping contract let to Jacobs.	Complete Folkestone Road works; commence works on Station forecourt

Project	Summary of project outcome	Cost of Project KCC/Partners £	Key milestones/ activities to date	Progress since last quarter	Actions planned for next quarter
Dover Sea Change Programme	Programme comprises improvements to 4 tourist attractions within Dover Castle, environmental improvements to Esplanade, upgrading of Bleriot Memorial, cable car feasibility study and multi faceted community engagement project.	Total project cost - £7.75m. Funded by DCMS (£3.85m), English Heritage (£2.5m), KCC (£0.65m), DHB (£0.34m), Dover DC (£0.3m) and SEEDA (£0.11m)	Projects completed: 3 of 4 Dover Castle projects, Bleriot Memorial.	Planning consent granted for Esplanade in October, and tendered for main contract	Start final Dover Castle project (Secret Wartime Tunnels); commence main contract works for Esplanade; complete cable car feasibility
Countywide Backing Kent Business Lead Officer: Jim Mckenzie	To support Kent businesses through the recession via KCC 10 Commitments and to develop a new relationship with business	£120,000	· Dec 2008 Launch of BKB · Jan 2009 BKB partners signed concordat for joint working · Feb 2009 first meeting of BKB partners · Feb 09 online Business Support Centre operational · April 2009 2020 conference & exhibition badged as BKB	· August - further meeting with BSF team to discuss opening up the supply chain to Kent businesses · September – Profiled at Channel Chamber of Commerce major business event with over 100 attendees · October - breakfast meeting with Invicta Chamber businesses – issues around transport, procurement · October - Launch of Kent Investment Club funded by KCC and managed by Finance South East	· Nov-Dec - BKB article in the Kent Messenger Business News · November –Launch of Kent premier business event '2020 Vision' to be held in April 2010. · November - Chairman's West Kent Reception with a BKB focus · December – 1st anniversary of the Launch of BKP · December – Kent Ambassadors briefing in House of Lords · January - Kent Excellence in Business Awards (KEiBA) Launch of second year - a KCC/Kent Messenger · Jan/Feb – series of business breakfasts planned

			· May 2009 first of a series of business breakfast meetings · June 2009 Westminster briefing on BKB	developing the business angel network in Kent · October – Launch SEEDA funded Innovation and Growth Team with match funding from a wide Kent-based partnership including KCC which aims to provide intensive assistance to potential high-growth innovative businesses in Kent and Medway	
Kent Thameside - Lead Officer: Mike Bodkin					
Homes and Roads	To deliver 11 major transport schemes to support growth of 20,000 homes and 50,000 jobs	Regional Transport programme DfT £49m HCA £21.5m DfT £26.1 Eastern Quarry £40.2m Developers Contributions £63.2m	· Programme appraisal submitted October 2009	Programme appraisal submitted October 2009	· Preparation of legal documents to underpin programme · CLG decision expected Nov 2009 · Treasury decision expected early 2010

Project	Summary of project outcome	Cost of Project KCC/Partners £	Key milestones/ activities to date	Progress since last quarter	Actions planned for next quarter
Ebbsfleet Valley (including Eastern Quarry)	To deliver 11,000 homes and new community adjacent to Ebbsfleet station	In an excess of an estimated £100m worth of infrastructure secured by KCC and DBC to support the development of Eastern Quarry	Planning Permission granted		Developers presenting a revised development proposal to local authorities including KCC on 6 November
Ashford Growth Area Lead Officer: Adele Harrison	Delivery of the Ashford Programme for Development to support sustainable economic growth	Total Programme value = £53.5m public sector funding (of which £22m GAF 3 and £5.5m KCC funding)	£15m Regional Infrastructure Funding secured to deliver J9 M20 improvements and enhance capacity Work started on Victoria Way scheme. Land acquisitions being progressed to unlock sites and enable road works. Full scheme to be completed by March 2011. Branding and marketing strategy	GAF 3 funding reduced by 13% £3.5m from £25.5m to £22m. In September the Partnership agreed revisions to project budgets to accommodate this cut. No contractually committed projects have been affected.	Work starts on J9 M20 scheme. Voluntary land acquisitions to be progressed (full scheme completion by March 2011) Work starts on a cost plan to inform the development of the Ashford Strategic Tariff. Evidence gathering from service providers to determine community infrastructure requirements needed to support planned development. Ashford advertising campaign to be run on Heart FM

			developed to build on Ashford Best Placed in Britain brand and capitalise on opportunities from launch of HS1. Revised designs agreed for Gateway Plus and £1m additional funding approved to deliver enhanced scheme.		Submit Gateway Plus planning application submitted and progress detailed designs
Countywide Backing Kent People Lead Officer: Keith Mackenney	The campaign brings together partners from across the public and voluntary sectors to help Kent people weather the recession and make it easier for them to get the help they need.	£40k allocated. £13k spend to date on launch, publicity materials, production of young persons money leaflet etc			
Backing Kent People Week	Advice given through KCC's Gateways to help people through the recession	Training provided in house. £1k on materials	Materials produced and Gateways staff trained in their use and in advising callers.	BKP week took place in October having been promoted on local radio.	Impact of week to be assessed (November 2009)

Project	Summary of project outcome	Cost of Project KCC/Partners £	Key milestones/ activities to date	Progress since last quarter	Actions planned for next quarter
Money Box Magazine	Magazine produced for Kent residents to highlight the extent of money support services available in the county.	£5k for design, production, printing and distribution.	Magazine designed and produced conjunction with the Town & Country Housing Group.	Magazine distributed through Gateways and housing associations during October	Feedback on value of magazine to be obtained (November 2009)
The creation of the Kent Credit Union.	KCC has spearheaded the creation of a "people's bank" for the county to help those who are financially excluded and provide a community saving organisation.	An original KCC development budget of £100k plus £250k allocated to Kent Savers.	KCC identified the demand and potential to develop a large Credit Union as a community venture.	- Working with an interim CU chief officer, KCC has worked with a shadow board of directors to finalise the creation of the organisation.	Pending final authorisation from the FSA, the independent Credit Union is expected to be launched in December 2009. Chief officer and loans officer recruited to take the work forward.
Kent Citizens Advice Bureau advice project	KCC is working with 12 CABs organised as Kent & Medway Citizens Advice (KAMCA) to increase their capacity and to provide advice to more people, particularly in areas of debt, benefit and employment	£250k	Each CAB has allocated its share of the funding against its own priorities and monitoring arrangements have been established. (April 2009)	In the first quarter of the financial year clients seen increased by 20%, benefit enquiries by 24%, employment enquiries by 21% and debt enquiries by 33%.	Evidence of additional outputs from this funding will be provided on a quarterly basis.
The creation of the Kent & Medway Financial Inclusion Partnership	KCC is working to create an independent Kent & Medway Financial Inclusion Partnership to take responsibility for the on-going delivery of the BKP campaign.	£4k allocated to Partnership.	Initial steps have been taken to create the formal partnership through Companies House		The KMFIP Board will be created and key issues identified along with a forward delivery plan for the new Board.

Project	Summary of project outcome	Cost of Project KCC/Partners £	Key milestones/ activities to date	Progress since last quarter	Actions planned for next quarter
No Use Empty Lead Officer: Steve Grimshaw	Initiative launched in 2005 as part of its PSA 2 commitments to examine better ways of delivering services and working more effectively with district councils by returning long term empty properties back into use.	£5m	728 long tern properties brought back into use. March 2008 target exceeded by 31% which secured government reward grant of £2.24m Scheme extended countywide	Since April 2009 about 120 properties have been brought back into use £800k of loan approvals are pending No Use Empty identified as a model of excellence in Audit Commission Report Scottish and Welsh governments have referred to No Use Empty as model of excellence	· 2009/10 target increased in June 2009 from 650 to 850 properties (revised target is expected to be exceeded) · A further 20 loan applications expected to be considered · Proposals to set up a new fund with the 4 original scheme members being considered in recognition of the scheme's success to date in those areas

2. Regeneration fund bids

2.1 Three bids have been received for funding from the Regeneration Fund. These include:

Bids	Overview	Sub-Group	£
Kent Foundation	A charitable trust set up to support training and advice for business start ups in the 18-30yr old age group. A request for funding in 2010-11 to enable Kent Foundation to consolidate its future by securing alternative funding sources	19 November 2009	£60k
Low Carbon Housing	To develop and roll out a Kent Area Based private domestic housing retrofit programme to reduce carbon emissions, provide savings for Kent residents and economic opportunities for Kent business	19 November 2009 (TBC)	£200k (TBC)
Role of innovation in meeting the challenges in Unlocking Kent's Potential	To develop technological solutions to support delivery of regeneration projects	19 November 2009	£80k

3. Recommendations

3.1 Recommendation

Members are asked to:
- comment upon the content and presentation of the report
- note progress against each of the projects.

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By: Overview, Scrutiny and Localism Manager

To: Regeneration and Economic Development Policy Overview and Scrutiny Committee - 12 November 2009

Subject: **UPDATE ON SELECT COMMITTEE WORK**

Classification: Unrestricted

Summary: This report updates Members on the process for establishing a Select Committee Topic Review Work Programme.

Select Committee Topic Review Work Programme

1. (1) At its meeting on 16 October, the Policy Overview Co-ordinating Committee (POCC) considered all the suggestions put forward by Members and Officers for possible Select Committee Topic Reviews. The proposers of reviews, Officers and Cabinet Members or their Deputies were given the opportunity to put forward their views on the proposals.

(2) The POCC agreed that the following topics would form part of the work programme for 2009/10:-

- Extended Schools
- Renewable Energy – what should Kent's role be?
- Dementia
- Educational Attainment of Pupils and Schools in Areas of High Deprivation

If resources allow there may be a short piece of work on Intergenerational Interaction.

(3) Regular update reports will be submitted to all POSCs to keep Members informed of the progress of the Select Committees.

Recommendation

2. Members are asked to note the topics to be included in the new 2009/10 Select Committee Topic Review Work Programme.

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Background Information: *Nil*