

**REGENERATION AND ECONOMIC DEVELOPMENT POLICY
OVERVIEW AND SCRUTINY COMMITTEE**

MINUTES of a meeting of the Regeneration and Economic Development Policy Overview and Scrutiny Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Tuesday, 19 January 2010.

PRESENT: Mr M C Dance (Chairman), Mr I S Chittenden (Vice-Chairman), Mr D L Brazier (Substitute for Mr M V Snelling), Mr J R Bullock, MBE, Mr K A Ferrin, MBE, Mr P J Homewood, Mr K Pugh, Mr K Smith and Mrs E M Tweed

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

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

UNRESTRICTED ITEMS

3. Minutes of the meetings held on 12 and 17 November 2009

(Item A3)

RESOLVED that the minutes of the meetings held on 12 and 17 November 2009 are correctly recorded and that they be signed by the Chairman. There were no matters arising.

4. Regeneration and Economy - A District Perspective: Report Back from visit to Dover on 15 December 2009 (oral)

(Item B1)

1) Members who had taken part in the visit made an oral report, and a written report was circulated.

2) The Chairman expressed his thanks to Dover District Council for the welcome they had given the KCC party and all the energy they had put into the arrangements for the visit.

3) Members made the following comments on what they had seen and heard:-

- a) the cruise industry is currently performing well, and the momentum of this needs to be maintained;
- b) effective links need to be made to maritime skills training, and the POSC should urge CFE to push for maritime vocational training, as CFE had previously promised to do;
- c) the accessibility and ease of use of Dover harbour and marina were welcomed; and

- d) Mr Smith emphasised the importance of the visit for Dover District Council, as it helped to put local issues into a strategic context.
- 4) General comments on the programme of district visits included:-
- a) it is important that the programme of visits is sustainable as it allows Members to see a full picture at the end, and to identify where KCC can help by placing its resources. The programme is also vital in raising Members' awareness of issues at District level;
 - b) it is important to keep a link between learning and skills, jobs and future regeneration, and REDPOSC and CFEPOSC links were invaluable. Communities would also be a useful link, via the Regeneration Board;
 - c) the report back after the visit needs to be joined to the pre-visit briefing information provided by the District Council, so all information is kept together;
 - d) some conclusions from the visit might be aspirational; how should these be addressed at the end of the 12 month programme of visits? and
 - e) the high number of REDPOSC Members who were also District Leaders or Deputy Leaders was very helpful.
- 5) Miss Grayell announced the ongoing arrangements for future visits, and advised that a visit to Canterbury would take place on 26 February (pm), and a whole day visit to Dartford and Gravesham on 12 March (Dartford am, Gravesham pm). She said she hoped to arrange visits so that they were placed in a monthly pattern. *Subsequently arranged is a visit to Sevenoaks on 25 May (pm).*
- 6) RESOLVED that the oral report be noted, with thanks, and the comments made by Members on the arrangements for future visits, and the information arising from them, be borne in mind as the programme continues.

5. 21st Century Kent

(Item B2)

Mr D Godfrey, Strategy, Economic Development and ICT, was in attendance for this item

- 1) Mr Godfrey presented a series of slides which updated Members on the development of the Spatial Vision since the presentation made by Eugene Dreyer from Farrells at the September meeting. He explained that the Spatial Vision would be launched on 28 January at four venues across Kent. Each launch event would have a general overview section as well as a part that was tailored to the local area.
- 2) In discussion and in response to questions from Members, the following points were highlighted:-

- a) the preparation of the vision had been helped by four large consultation meetings with a diverse range of partners and stakeholders. Sir Terry Farrell's conclusions from these consultation meetings would be at the heart of 21st Century Kent;
 - b) '21st Century Kent' was not a statutory document but an aspirational one, offering a new vision to shaping Kent's future success and adding value to existing strategies. Underpinning the document would be the 9 strategies with solutions commissioned by the Kent Regeneration Framework;
 - c) District Councils across Kent were at different stages of developing their Local Development Framework (LDF), so this was a rolling process, and the Director of Economic Development and strategic planners would be maintaining close links with District Councils. Councils which were less advanced with their LDFs would have more time to take account of the spatial vision; and
 - d) the success of the Spatial Vision and '21st Century Kent' depended upon good public involvement and support.
- 3) RESOLVED that the information set out in the report and presentation, and given in response to Members' questions, be noted, with thanks.

6. Local Economic Assessment - Progress update (Item B3)

Mr R Gill, Economic Strategy and Policy Manager, was in attendance for this item.

- 1) Mr Gill introduced a report which updated Members on the development of the LEA since the POSC's November meeting. The LEA linked well with '21st Century Kent', and a good LEA would stand Kent in good stead to face the future. A joint commissioning body had been formed by Kent and Medway and would meet for the first time on 24 February. Kent and Medway had established links with Surrey and Essex and would possibly link also to Hampshire to allow it to take broader view across the Greater South East region. The timescale for the introduction of the LEA had changed when the government produced revised guidelines.
- 2) In discussion, and in response to questions from Members, the following points were highlighted:-
 - a) the 24 February meeting would mark the start of Member-level consultation with Districts;
 - b) although every effort would be made to avoid duplication of work between partners, Kent would look at strategic and cross-border issues which District Councils could not easily cover. Working with the neighbouring counties named was good, but working with Sussex would also be welcomed;

- c) issues relating to Small and Medium Sized Enterprises (SMEs) would be addressed in a specific topic paper;
 - d) Members were assured that tourism would be thoroughly addressed;
 - e) although the actual funding allocation for the establishment of the LEA was unclear, Members were assured that Kent and Medway would work closely to maximise the value of their funding allocations;
 - f) although the development of an LEA was a statutory duty for Kent, it was not a good time economically, making economic forecasts difficult, and government policy may change dramatically following the summer election;
 - g) it was disappointing that Medway had not entered into a contract with Connexions, as Kent had done, as Kent's link with them had been very useful in picking up issues and building up strengths; and
 - h) much will change in the future, with a predicted reduction in public sector funding across the board, reducing the number of available options and forcing partners to make difficult choices. In the meantime, much useful data collection and assessment work could still go on to see what might be achieved in 3, 5 or 10 years' time.
- 3) RESOLVED that the information set out in the report and given in response to Members' questions, be noted, with thanks.

7. Growth Without Gridlock - An Integrated Transport Strategy for Kent (Item B4)

Mr G Mee, Director of Integrated Strategy and Planning, was in attendance for this item.

- 1) Mr Mee presented a series of slides which set out the development of the Integrated Transport Strategy and how it related to other plans, frameworks and statutory documents. He encouraged Members to read the 'Growth without Gridlock' document on the KCC website and give feedback on it.
- 2) In discussion, Members contributed the following views:-
 - a) although parts of the ITS are certainly desirable, it is difficult to be convinced that it is realistic or affordable. Future highways projects are already planned in a programme up to 2018, so will be difficult to adapt, and it is important to put in place plans that are realistic. It is also important to have a complete system that worked as a whole;
 - b) under-used pavements along side main roads could be used by cyclists;

- c) to promote increased use of the bus network, KCC would need to work closely with District Councils;
 - d) it was emphasised that the ITS was a long-term plan, and as such was comparable to the Spatial Vision. The ITS was a 20 – 40 year plan;
 - e) the ITS did not emphasise moving freight from road to rail, which was disappointing. The ITS should also take account of air travel and airports, e.g., Manston; and
 - f) Sheerness is a deep water port and could be used much more for roll-on, roll-off services to help move freight from road to rail.
- 3) RESOLVED that information set out in the report and presentation be noted, with thanks, and that Members' views set out above be included in feedback.

8. Digital Strategy

(Item B5)

Mr P Bole, Head of ICT Commissioning, was in attendance for this item.

- 1) Mr Bole presented a series of slides which set out the dramatic rate and extent of change in methods of communication and information handling in recent years, its implications for Kent and the challenges facing the KCC in addressing the issues. Government investment would not cover all Kent's ICT needs, so the KCC would need to identify ways to address the shortfall (e.g., by encouraging private sector investment).
- 2) In discussion, and in responses given to Members' questions, the following points were made:-
- a) KCC would use a combination of methods to maximise the Kent population's access to information technology. There were options which would take advantage of existing public sector premises, e.g. setting up a wireless 'bridge' from a school to the surrounding community;
 - b) although rural areas tended to offer the greatest challenge in terms of accessibility, some towns were also not accessible;
 - c) in researching possibilities, Kent had looked at the experience of Swindon and the methods used there, including domestic users being provided broadband free of charge, the cost being covered by commercial subscribers;
 - d) it was the expectation that new technology would be built into all future developments at the construction stage, to avoid the expense and disturbance of fitting retrospectively;

- e) establishing good technical links was a very important issue, and if KCC had to choose between funding Broadband and funding new road building, it was suggested that Broadband should be the most urgent choice; and
 - f) it is important to be realistic, and whilst it might be considered desirable for all Kent households to have a fibre link, this was simply uneconomical. A reliable Broadband connection was vital, however, for Kent businesses.
- 3) RESOLVED that the information set out in the report and presentation, and given in response to Members' questions, be noted, with thanks, and Members eagerly await future updates on the issues covered.

9. Review of Regeneration and Economy Project Activity (Item B6)

- 1) Ms Cooper introduced the report and explained that, as future funding levels and mechanisms and partnership arrangements were unknown, the Directorate was undertaking a review of project work in 2010/11.
- 2) In discussion, and in response to questions raised by Members, the following points were highlighted:-
- a) the level of detail set out in the report was welcomed, and reflected what the POSC had asked for at previous meetings;
 - b) the Regeneration directorate would have a major role to play in the Single Conversation as a vital link with District Councils and other partners. It would also be deeply involved in projects as part of the Total Place agenda;
 - c) As some projects were nearing completion, responsibility for future delivery would be transferred to the most appropriate Directorate, e.g., projects relating to highways schemes would be passed to EHW.
 - d) A key future role of the Regeneration directorate would be to grow and maintain corporate links across the whole KCC in order to ensure the delivery of the Regeneration Framework ; and
 - e) it was noted that in the long term, some projects may not continue to be funded by KCC. If continued funding was to be sought then a bid for monies from the Regeneration Fund would be submitted to the sub group of the Regeneration Board for approval.
- 3) RESOLVED that the information set out in the report, and given in response to Members' questions, be noted, with thanks.

10. Update on Major Projects

(Item B7)

1) Ms Cooper introduced the report and, in response to a question, explained that projects such as the Kent Credit Union had individual business plans to ensure longer term sustainability. The Financial Services Authority (FSA) had to approve the setting up of credit unions

2) RESOLVED that the information set out in the report be noted, with thanks.

11. Financial Monitoring 2009/10

(Item B8)

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

1) Mr Shipton introduced the report and highlighted an increased underspend which had been achieved by a continuing trend of keeping staff vacancies unfilled for as long as possible.

2) RESOLVED that the information set out in the report be noted, with thanks.

12. Budget 2010/11 and Medium Term Financial Plan 2010/13

(Item B9)

1) Mr Shipton introduced the report and explained the following:-

a) a meeting with business leaders would take place on 26 January as part of the consultation process;

b) the Directorate's draft budget included a 0% pay increase for staff in 2010/11 in line with the proposal which has been put forward. No specific provision has been made in the Medium Term Plan for 2011/12 and 2012/13 as no proposals have been put forward at this stage and more information was needed on the 1% cap announced in the Chancellor of the Exchequer's Pre-Budget Report in December. As and when proposals are put forward the cost would have to be met from the provision in the Medium Term Plan (page 55) for emerging pressures;

c) since the last POSC there have been some additional new savings proposed for the portfolio's budget, as a contribution towards balancing the overall KCC budget; and

d) the LABGI (Local Authority Business Growth Incentives Scheme) funding which was estimate the Directorate should receive in 2010/11

totals £750,000, made up of £500,000 on top of the £250,000 already included in the base budget.

2) In answer to a question, Mr Shipton explained that the figure of 36 posts quoted as a reduction to the Regeneration and Economic Development portfolio was an average figure which would be needed to achieve the anticipated required savings. Ms Cooper added that seven vacancies currently in Regeneration would be held open, and that some savings made would not be in staff. Although the indicative figure had been translated into posts as part of budget setting process, she assured Members that the Directorate would make savings in other ways wherever possible.

3) Members agreed that it would be impossible and unfair to say from where such a saving in posts might be made until a formal process had been followed with the staff concerned.

4) RESOLVED that the report, and Members' comments on it, be noted.

13. Half Yearly Business Plan Monitoring 2009/10

(Item B10)

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

RESOLVED that the information set out in the report be noted, with thanks.

14. Update on Select Committee Work

(Item C1)

1) Miss Grayell reported that the first meeting of the 'Renewable Energy in Kent' Select Committee had been set for 26 January 2010. At this meeting, the Select Committee would elect a Chairman and agree its scope, terms of references and list of witnesses. This meeting would be open to the public, and any Member of this Committee who wished to attend and listen would be able to do so.

2) RESOLVED that the information set out in the report be noted, with thanks.