

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

Thursday, 8th July, 2010

10.00 am

Darent Room, Sessions House, County Hall, Maidstone





AGENDA

REGENERATION AND ECONOMIC DEVELOPMENT POLICY OVERVIEW AND SCRUTINY COMMITTEE

Thursday, 8th July, 2010, at 10.00 am Ask for: Theresa Grayell
Darent Room, Sessions House, County Hall, Telephone 01622 694277
Maidstone

Tea/Coffee will be available 30 minutes before the meeting

Membership (12)

Conservative (11): Mr M C Dance (Chairman), Mr A R Chell, Mr J R Bullock, MBE,
Mr K A Ferrin, MBE, Mr P J Homewood, Mrs J Law, Mr K Pugh,
Mrs J A Rook, 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 A R Chell and Mrs J A Rook have joined the Committee in place of Mr R W Bayford and Mr J A Kite respectively
- A2 Substitutes
- A3 Declarations of Members' Interest relating to items on today's Agenda
- A4 Minutes of the meeting held on 24 March 2010 (Pages 1 - 10)
- A5 Meeting Dates for 2011

The Committee is asked to note that the following dates have been reserved for its meetings in 2011:-

Tuesday 18 January 2011 - 2.00 pm	Friday 23 September 2011 – 10.00 am
Friday 1 April 2011 – 10.00 am	Wednesday 16 November 2011 – 10.00 am
Friday 24 June 2011 – 10.00 am	

All meetings take place at County Hall

B. ITEMS FOR CONSIDERATION

- B1 Regeneration and Economy - A District Perspective: Reports back from visits to Ashford on 30 April and Sevenoaks on 25 May (Oral)
- B2 Presentation - Briefing from Kent Economic Board
- B3 Sector Strategy : A sector-based approach to economic development (presentation)
- B4 Draft Kent and Medway Housing Strategy (Pages 11 - 20)
- B5 End of Year Budget Outturn Report 2009/10 and Business Plan Outturn Report 2009/10 (Pages 21 - 30)
- B6 Update on Major Projects (Pages 31 - 38)

C. SELECT COMMITTEE WORK

- C1 Update on Select Committee Work (Pages 39 - 40)

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, 30 June 2010

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 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 Wednesday, 24 March 2010.

PRESENT: Mr M C Dance (Chairman), Mr I S Chittenden (Vice-Chairman), Mr J R Bullock, MBE, Mr K A Ferrin, MBE, Mr P J Homewood, Mr J A Kite, Mrs J Law, Mr K Smith, Mr M V Snelling and Mrs E M Tweed

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

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

15. Minutes of the meeting held on 19 January 2010

(Item A3)

RESOLVED that, subject to a change to paragraph 3) a) of Minute 4 to read 'cruise' rather than 'cruising' industry, the minutes of the meeting held on 19 January are correctly recorded and that they be signed by the Chairman.

Matters Arising

Minute 10 – Update on Major Projects

Mr Lynes reported that the Kent Credit Union had been launched on 4 March 2010.

16. Designing out Risk - Building in Safety. Presentation by Kent and Medway Fire and Rescue Authority on its links to the Regeneration Framework

(Item B1)

Mr C Hendry, Chief Executive and Chief Fire Officer of the Kent Fire and Rescue Service, was in attendance for this item, with Mr J Pereira.

1) Mr Hendry presented a series of slides which set out the contribution that KFRS could make, and wished to make, to the regeneration agenda in Kent. He set out his key concerns as follows:-

- a) a clear link had been identified nationally between economic deprivation and increased fire risk;
- b) developers were now employing cheaper and faster construction methods which could compromise the safety of buildings, and the Fire Service's ability to tackle fires effectively;

- c) 80 – 85% of Kent's economy was made up of small and medium sized businesses, which operated on very narrow margins and could easily be wiped out by a fire. Flood risk was also a big issue for such businesses, and KFRS was particularly concerned about being able to support and protect these businesses; and
- d) the Fire Service wished to establish better links with other agencies, particularly health and social care services, in addressing the needs of vulnerable people.

2) In discussion and in Mr Hendry's responses to questions raised by Members, the following points were highlighted:-

- a) KFRS was known as a beacon authority for its well-developed joint agency working;
- b) there was no provision in the building regulations to require the use of dual treatments (i.e., to guard against rot and make a building fire retardant) for timber-framed buildings, and some 'timber' used in timber framed construction today was not solid wood but woodchip and other composite material. Timber framed buildings could be perfectly safe and last for centuries, as shown by Kent's many surviving medieval timber-framed buildings;
- c) there was a large disparity in the application of building standards and regulations, and no accreditation scheme for inspectors;
- d) new developments were most vulnerable during construction. Once completed and signed off as safe, their integrity could start to reduce as soon as modifications were made, creating holes and voids which could help fire spread;
- e) insurance companies were experiencing more fire-related loss , and the cost per fire was increasing. Insurers specialising in covering public buildings would often insure schools (a particular high risk group in terms of arson) with reduced excess payments;
- f) building control was a big issue for district councils, and it was recognised that retro-fitting systems was more expensive than designing them in at the outset;
- g) controlling the flow of air around a building was an important factor in limiting the spread of fire, but sophisticated air control mechanisms aimed to preserve life rather than property;
- h) agencies working in different area of public life needed to have a mutual appreciation of each other's varying agendas;
- i) fire retardant interior furnishing were covered by European legislation, and the KFRS had played a major part in raising awareness of the risk and establishing a requirement for all furnishings to be fire retardant;

- j) sockets and wiring tended to be overloaded, particularly in multi-occupancy buildings such as student accommodation, but extensive wiring systems were perfectly safe if installed properly;
- k) fires now caused much less loss of life but the ongoing effects and costs of a fire were in the health and social care and economic inactivity of people injured in a fire;
- l) a 'fire mark', denoting that a building was constructed to minimise fire risk, could be developed to help sell new housing developments, in the same way in which buildings were sold on the basis of their green credentials, and safety features are used to sell cars;
- m) KFRS was a statutory consultee in the planning process but not in the early stages, and informal earlier consultation would be helpful. KFRS are consulted when building regulations are reviewed. However, the building industry was powerful and skilled at lobbying, and KFRS would have more clout as a consultee/lobbyist by joining forces with other agencies; and
- n) KFRS had done much work with Eurotunnel and Eurostar to address issues of safety in the channel tunnel, but Mr Hendry emphasised that the tunnel did have a relatively good safety record compared to other major civil engineering projects. The safety of the tunnel was constantly being scrutinised.

3) Asked to summarise what he wished to see put in place to address the issue, Mr Hendry listed the need for new legislation to address the current failing legislation; a mechanism for consistency; recognition of the capacity for fire (and flood) to damage the economic health of the county; the need for KFRS to be engaged and consulted earlier in the planning process; the need to address issues of density and access to the built environment, and the need to encourage innovative design while acknowledging the need for KFRS to be able to access and tackle fires effectively.

4) Mr Hendry thanked Members for the opportunity to address the POSC. He said he would take away the points raised in Members' discussion and would welcome the opportunity to update Members in six months' time on developments in addressing them.

5) Mr Lynes referred to the shared agendas of various public sector agencies which had brought this issue forward, and emphasised the democratic mandate of elected Members to raise the profile of the issue. He supported the suggestion of a 'fire mark' to sell new homes, and suggested that the current dip in construction activity offered an opportunity to address the construction issues which had arisen in discussion.

6) RESOLVED that the information given in the report and presentation, and in response to Members' questions, be noted, with thanks, and that Mr Hendry's offer to update the POSC at a future meeting on the issues raised be welcomed.

17. Regeneration and Economy - A District Perspective. Oral report back from visits to Canterbury on 26 February and Dartford and Gravesham on 12 March (Item B2)

Canterbury – 26 February 2010

- 1) Members expressed their thanks to Canterbury City Council for the organisation of an excellent, full visit and the welcome the KCC party was given.
- 2) In discussion, Members made the following comments on what they had seen and heard in Canterbury and Herne Bay:-
 - a) Canterbury has obviously had much money spent on it, while Herne Bay has not, although Members were reassured that projects in Canterbury had received good cross-party support, and that investors were expressing confidence in Herne Bay;
 - b) Canterbury is a vibrant city, and its 30 – 40,000 student population brought life and economic benefits to the city, plus inevitably a few social problems;
 - c) the elements of education, skills, employment and regeneration came together well in Canterbury, but there was always scope to strengthen the links between these elements in Canterbury and in other towns;
 - d) local passion was evident, and character and tradition are everything in making a place successful;
 - e) one negative in Canterbury was in relation to the new Innovation Centre at the University of Canterbury, as the number of jobs generated were low when set to the financial investment;
 - f) another Member said the Innovation Centre seemed to be covering its costs, and had been selective about the businesses it had included. It is a fertile place for growth, is well placed and a worthwhile enterprise;
 - g) this was an excellent visit, but it is important to remember that regeneration is a long term task, and there is a long way to go;
 - h) Canterbury has much for other towns to envy – its Cathedral, Universities and private schools which attract money and cultural tourism. With all those advantages, it should be impressive;
 - i) Herne Bay will come good, like Whitstable, if it is marketed properly;
 - j) it had taken years to gain agreement to the development of Herne Bay, but the confidence was now there, and it was attracting investment; and
 - k) the Canterbury bypass had not been built with a view to the future, and new housing being built needs infrastructure to support it.

3) Mr Lynes referred to the East Kent Spatial Development Company which existed to administrate Government funding, and which he used to chair. It had had some involvement in the Innovation Centre, and he agreed that it was important to get the right balance between having enough tenants and the right tenants. Occupancy had exceeded expectations and offered a good support network for growing businesses, although he would not wish to see it drain business and energy from other places.

Dartford – 12 March 2010, am

4) Members expressed their thanks to Mr Kite and his team at Dartford Borough Council for their organisation of an excellent pre-briefing pack and full tour.

5) In discussion, Members made the following comments on what they had seen and heard around Dartford:-

- a) it was important to continue with and finish Kent Thameside as an exemplar project, as 70% of the funding was in place;
- b) The Bridge project was a good example of a Total Place project, and Members supported having more of this sort of initiative;
- c) Leigh College of Technology was very impressive and a great success, having 10 times more applicants than it had places, excellent technology teaching, a good, disciplined work ethic and good teacher-pupil relationships; and
- d) Members were keen to see how projects at Eastern Quarry would be moved on, and how Dartford Central would develop in the future.

Gravesham – 12 March 2010, pm

6) Members expressed their thanks to Mr Snelling and his team at Gravesham Borough Council for their welcome and a very useful afternoon.

7) In discussion, Members made the following comments on what they had seen and heard around Gravesham:-

- a) the Riverside project was ambitious in aiming to attract cruise liners, but concern was expressed that success in this field might be a threat to Dover;
- b) Gravesend town centre worked well in terms of layout and pedestrian links, and this and its history gave it great potential to attract business and cultural tourism. Gravesend's Sikh Temple was very impressive and was the biggest in Europe;
- c) one Member expressed the view that the programme of visits would not give Members a balanced view of the reality of each area and would

show them just the good parts without the challenges and problem areas; and

- d) other Members disagreed and said it was important to give praise where it was due. Pre-visit briefing information provided by each host council set out negatives as well as positives, so Members were aware of the negatives and were prepared in advance to ask questions about them during the tour.

Collating Conclusions

8) Members' attention was drawn to the potential outcomes of the year-long programme of visits and how the information gathered at visits, as well as given in pre-visit briefings, could be collated, compared and used. It was suggested that a special meeting of REDPOSC could be reserved at the end of the programme of visits to examine where and how far KCC and DC priorities were aligned.

Future Visits

9) Miss Grayell announced that the next two visits were as follows:-

Friday 30 April 2010, afternoon – visit to Ashford, and

Tuesday 25 May 2010, afternoon – visit to Sevenoaks,

and that, as dates for summer visits had been very hard to find, it was likely that some dates would have to be used at the start of the school holidays, and several visits fitted into the autumn to complete the programme.

18. Kent and Medway Housing Strategy - update

(Item B3)

Mr B Horton, Strategic Housing Advisor, was in attendance for this item.

1) Mr Horton presented a series of slides setting out the content and aim of the Strategy and pointed out how closely it related to Mr Hendry's item at the start of the meeting. He said he would contact Mr Hendry to discuss how they could work together.

2) In discussion, Members expressed a number of concerns about the Strategy and its content, as follows:-

- a) Members expressed doubts that the Strategy would receive much public support, as it fails to address key issues in housing provision;
- b) key elements of previous housing strategies, such as 75% of development needing to be placed on brown field sites, and the need for social housing, seem to be no longer included, and the Strategy does not address the quality of development;

- c) housing was not a responsibility of the KCC but of partnership working between KCC and District Councils, so gaining Districts' willing support for it would be vital. Some Districts were known not to accept the Kent Design Guide;
 - d) the Strategy was not yet published, yet it seemed to have decided already where priority should be placed;
 - e) housing for offenders was mentioned, but not housing for other groups such as young people or the elderly;
 - f) Members were not convinced that home ownership had peaked, as the pattern tended to be cyclical;
 - g) the quoted demand for housing had been based on previous patterns of young people seeking to set up their own homes, but the current economic climate mean that this was not necessarily possible any longer;
 - h) access to property was an important issue, as some historic areas had narrow streets which tended to be blocked with parked cars;
 - i) Kent should build life-time homes, planning ahead for the needs of the elderly and disabled; and
 - k) infrastructure was needed to support housing development, and if this was not funded sufficiently, then it would not allow development growth.
- 3) RESOLVED that the information in the report be noted, and that Members' comments, set out in paragraph 2) above, be reflected in the development of the Strategy.

19. Kent Environment Strategy

(Item B4)

Ms C McKenzie, Greener Kent Manager, was in attendance for this item.

- 1) Ms McKenzie introduced the report and summarised the key priorities and actions of the Kent Environment Strategy. She explained that the Strategy had gone through a consultation process in 2009 and the final version of it would be available to all Members in May.
- 2) Members commented that it was possible to enjoy prosperity within environmental limits, as shown by a recent visit of the Renewable Energy Select Committee to a site in Hertfordshire, which was performing very well and attracting much business. It was possible to save money and energy and as well as having a healthier lifestyle.
- 3) RESOLVED that the information set out in the report be noted, with thanks, and the approach and next steps, set out in section 3 of the report, be agreed.

20. 21st Century Kent - Launch Feedback

(Item B5)

Mr E Dreyer, Urban Design Director, Farrells, and Mr D Godfrey, Strategy, Economic Development and ICT, were in attendance for this item.

1) Mr Dreyer presented a series of slides showing the key points of 21st Century Kent and circulated a booklet which had been used at the launch on 28 January. He reminded Members that launch events had taken place at three venues along the route of high speed rail link, with each having an element tailored to the venue. He summed up the three main themes of 21st Century Kent; Kent has a varied and thriving coast, is a 21st Century Garden of England and is a well connected county.

2) In discussion, the following points were highlighted:-

- a) some Members expressed disappointment that the major part of the 21st Century Kent document was concerned with one corridor across Kent, from which large areas of the county would not benefit. Other areas of the county were not mentioned at all;
- b) other Members disagreed and said the document was excellent, impressive and visionary, although a similar document was needed which would concentrate on looking after the green and rural areas of the county;
- c) some Members were sceptical of the references to the five Medway towns joining to make one city by 2030, and to the growth of a new town at Ebbsfleet; and
- d) reference to businesses being attracted to rural areas of the county by the availability of broadband was challenged as being incorrect;

3) Ms Cooper pointed out that an important part of the roll-out of the strategy was the testing of the vision it contained. She added that all strategies for the regeneration and economic health of the county would be brought together by the end of 2010 and reported to REDPOSC.

4) RESOLVED that the information in the report be noted, with thanks.

21. Financial Monitoring Report: Regeneration 2009/10

(Item B6)

The Chairman secured the Committee's agreement to consider this item as urgent business as the papers had not been placed in the public arena with the required notice.

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

1) Mr Shipton introduced the report and explained that it had not been possible to release it to POSCs until it had been cleared for the Cabinet meeting on 29 March. He added that the holding of several vacant posts in Regeneration had resulted in an underspend on staffing.

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

22. Update on Major Projects
(Item B7)

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

23. Update on Select Committee Work
(Item C1)

- 1) To complete the information reported about the current Select Committees, Miss Grayell reported that, at its first meeting on 19 March 2010, the Extended Services Select Committee had elected Mr R B Burgess as its Chairman.
- 2) RESOLVED that the information set out in the report be noted, and that Members pass to Miss Grayell any suggestions they wish to put forward for consideration for the 2010/11 Select Committee Topic Review Programme.

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By: Kevin Lynes, Cabinet Member for Regeneration and Economic Development
David Cockburn, Executive Director, Strategy, Economic Development and ICT

To: Regeneration and Economic Development Policy Overview and Scrutiny Committee – 8 July 2010

Subject: Draft Kent and Medway Housing Strategy

Classification: Unrestricted

SUMMARY

This report provides an update for Members on the development the draft Kent and Medway Housing Strategy, including an update on the County's empty homes initiative 'No Use Empty'.

FOR INFORMATION

1. Introduction

- 1.1 The draft Kent and Medway Housing Strategy ("the Strategy") is a county-wide document that takes a new radical look at housing.
- 1.2 A consultation draft has been circulated to over 300 stakeholders. This consultation ended on 21st May. Comments were received from a range of stakeholders, including District and Borough Councils, health, developers, planning consultants, regeneration partnerships and rural interests.
- 1.3 The current draft of the Strategy was written prior to the General Election. Further work is needed to reflect the changing external environment, following the change of government and the Bills announced in the Queen's Speech. This Strategy presents a unique opportunity to influence new government thinking around the housing and planning agendas. Timing is critical to the proposition that Kent and Medway present to government through this document. It is clear that Kent's focus on value and economy and commitment to working together on shared ambitions is consistent with emerging policy.
- 1.4 This Strategy is collectively owned by Kent and Medway Leaders, who have committed to ensuring that the document is finalised by October, with a view to influencing the forthcoming Comprehensive Spending Review.

- 1.5 The draft Strategy has taken on board and reflected the comments and concerns raised by Members of REDPOSC.

2. Background

- 2.1 The Strategy was commissioned by the Kent Economic Board (KEB), responding to the ambition outlined in KCC's Regeneration Framework. A Housing Task Group was formed by KEB to direct the work on the Strategy, chaired by Neil Davies, Chief Executive of Medway Council, with membership from senior Kent and Medway colleagues and the Homes and Communities Agency.
- 2.2 The Strategy is being developed collaboratively between Kent and Medway Leaders, Kent Partnership, KCC, Kent Districts, Medway Council, KEB, the Homes and Communities Agency, Kent Housing Group and other public, private and third sector organisations with an interest in housing. The consultation draft is the outcome of a year of analysis, discussion and consultation.

3. Progress Update

- 3.1 The Strategy has been drafted to reflect the comments and priorities of the wide ranging stakeholder views that exist across Kent and Medway. REDPOSC expressed particular concerns on whether the Strategy responds to the issues that really concern the public and whether all local authorities are engaged in the process. Further work has been done to engage with the Kent and Medway Local Authorities on the big issues such as Young People, Elderly People, new entrants to the housing market getting the first step on the housing ladder, access to affordable housing, quality and design standards, the needs of disabled people and where resources come from to support the development of infrastructure.
- 3.2 A number of the priorities in the strategy are being progressed while further work is done to respond to the changing external environment following the election of the new coalition government. An example is the development of the Rural Housing Protocol with the Kent Housing Group.
- 3.3 The Housing Strategy has drawn on the work of a number of existing initiatives and partnerships, such as the County's empty homes initiative 'No Use Empty'. An update on this initiative can be found at **Annex A**.

4. Content

- 4.1 Key Principles
The consultation draft has a narrative that includes key principles. Through a process of wide-ranging stakeholder engagement, we have

identified 5 shared principles, which partners highlighted as critical to create a fit for purpose Housing Strategy. These are:

(i) Encouraging and supporting joint working to solve common problems

Joint working needs to take place across public sector agencies (the potential value of this joint working has been demonstrated by Total Place), and between the public and private sector. Value is often created by looking at joint solutions, be it leveraging economies of scale or taking a fresh look at common problems.

(ii) Every £ of public money really needs to count

In the current climate, public sector finances are going to be under intense pressure, and unlike some areas of public spending, neither housing nor regeneration are going to be ring-fenced. Where public money is used in support of a project, those overseeing the project need to ask whether (a) public funds are appropriately leveraging private funds (and if so, are they leveraging sufficient private funds) and (b) where public money is being deployed by way of grant, is there a mechanism to redeploy that money by way of a return-carrying investment.

(iii) Greater sharing of risk and reward between the public and private sectors

Traditionally, local authorities and other public sector bodies have tended to be regarded as being risk averse. In order to deliver some of the new funding models outlined in this paper, a greater degree of innovation is required than has traditionally been the case for many authorities. This innovation could potentially expose the public sector to a greater degree of risk. As some of these recommendations are explored, time should be given to understanding the various levels of risk inherent in the new operating models, and to looking for means of hedging those risks. At the same time, public bodies should look to structure an appropriate level of return into their investments to compensate for risk.

(iv) Greater use of public sector land and property assets

Many of the local authorities and public sector agencies for which the Strategy document will be relevant will have surplus land and property assets which could be redeployed successfully to deliver some of the outcomes required by the strategy. Much of that property portfolio will be known, whilst some of those assets will be "hidden" either because they are too small to feature in asset registers, or require assessment with a pair of fresh eyes. While the public sector is cash constrained, public sector land assets could have a very significant role to play in delivering these recommendations.

(v) Greater flexibility of approach

Many of the recommendations in the Strategy would require a more flexible and innovative approach than has otherwise been the case. As already highlighted, this is not a one-size-fits-all strategy, and it will be for local authorities and other public sector bodies to determine what is appropriate for their individual circumstances. Examples might include: greater flexibility in the application of s.106, community infrastructure levy or its successor; greater use of the Public Works Loan Board borrowing where appropriate; and the use of local authority reserve balances in support of housing outcomes.

4.2 Challenges and ambitions

In developing the Strategy we commissioned a Kent and Medway Strategic Housing Market Assessment (SHMA). Through this, we identified 6 key housing challenges facing the Kent and Medway area. Using our 5 principles we have also developed our ambitions in relation to those challenges:

Challenge 1 – How do we deliver homes and services that respond to changing housing need?

Our Ambition: *To support people with a greater diversity of housing need to fulfil their potential and live a high quality life through the provision of excellent housing and support services.*

Challenge 2 – How can we stimulate the supply of the right homes and provide choice?

Our Ambition: *To challenge the regulatory orthodoxy to create a flexible environment in which innovative approaches to finance and infrastructure can be used effectively to provide people with the homes they want, where they want to live.*

Challenge 3 - How can growth and regeneration be delivered?

Our Ambition: *To make the best use of public land and assets to drive Kent and Medway's economic growth through forging strong private and public sector partnerships and focussing on the delivery of key strategic development and regeneration sites to make a lasting impact.*

Challenge 4 - How can we improve the quality and energy efficiency of our homes?

Our Ambition: *To ensure that every person in Kent and Medway has a quality home that they can afford to heat and protect against the impacts of climate change, whilst benefiting local businesses.*

Challenge 5 - How can we respond to the specific needs of rural communities?

Our Ambition: *To provide people from rural communities with real housing choice, helping to keep local businesses alive and bringing a sense of community to rural areas.*

Challenge 6 - How can the skills required to deliver the Strategy be shared and enhanced?

Our Ambition: *To ensure that the public and private sector organisations involved in the delivery of the Strategy have the appropriate skills at their disposal to make it a success.*

- 4.3 Underpinning each challenge is a series of more specific recommendations. These recommendations are not binding on any organisation that signs up to the Strategy, as not every recommendation will have relevance to every area. Instead, we expect local authorities to seek to implement only those recommendations which are appropriate for them.

5. Next Steps

- 5.1 In consultation with Kent and Medway Leaders, the Strategy will be re-drafted to reflect the change in the external and legislative environment.
- 5.2 The aim is to have a finalised strategy signed off by Kent and Medway Leaders by October, ready to influence the next Comprehensive Spending Review, which is currently scheduled to take place in November.
- 5.3 It is proposed that implementation of the recommendations within the Strategy will be managed by Kent Housing Group, on behalf of Kent and Medway Leaders. Updates on progress against the Strategy will be reported to REDPOSC.

Brian Horton,
Strategic Housing Advisor

Lead Contact Officer:
Housing Strategy Implementation Manager
Jo Purvis
Tel: 01622 696937

Background Documents:
None

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EMPTY HOMES UPDATE

No Use Empty Initiative – Progress to Date

KCC launched the No Use Empty Initiative in 2005 as part of its PSA 2 commitments. Initially the focus was on the Urban coastal areas of East Kent (Dover, Thanet, Shepway and Swale). Following the success in East Kent, the Initiative was rolled out County Wide from April 2008. In terms of the Loan Scheme only Dover and Thanet participated initially, but since 2009 Dartford, Sevenoaks and Shepway have also joined.

Capital Fund

Interest Free Loans from the Capital Fund are offered on a “Loan to Let” or a “Loan to Sell” basis. The maximum repayment term is 3 years unless a unit is disposed of which triggers immediate repayment.

To date £5M Public/Private Sector Leverage has been generated from loans approved, giving a total investment into the County of nearly £8.3M. This is particularly relevant in these turbulent times, where funding available to owners and developers has been restricted or lending criteria tightened.

The following table shows the activity by Financial Year, demonstrating a significant increase in activity during 2009-10 which has nearly been surpassed in the first quarter of 2010-11.

Financial Year	Loans Approved	Loan Value	Public/Private Leverage	Total Project Cost	Total Number Of Units
2007-08	8	£ 496,540	£ 2,327,404	£ 2,823,944	48
2008-09	7	£ 486,000	£ 416,879	£ 902,879	21
2009-10	18	£ 1,230,800	£ 1,532,471	£ 2,763,271	54
2010-11 (To Date)	15	£ 1,008,010	£ 796,679	£ 1,804,689	40
Total	48	£ 3,221,350	£ 5,073,433	£ 8,294,783	163

Applications Issued	262	% Returned	22%	Loan To Sell	8
Applications Made	58	% Approved	83%	Loan To Let	40

Whilst the table shows the number of units being returned as 163, it should be noted that over the same period a total of 772 units have or will be returned, based on total intervention taken by local councils who participate in the loan scheme (Dover, Thanet, Shepway, Sevenoaks and Dartford).

(See achievements section for County Wide Targets achieved to date in terms of units returned).

This means that 21% of all units returned is a direct result of those participating being able to access KCC Capital Fund.

On average the cost of each unit returned to date is £ 19.7k (Loan Value/Total Number of Units).

The cost of the interest and revenue support in the Initiative has been calculated at approximately £2,400 per unit being returned to date.

This seems to offer exceptional value for money, taking into consideration the additional leverage, wider benefits to the community and potential savings in other public expenditure headings, whilst dealing with empty properties.

Of the £2.8M allocated for 2010-11, a total of £1M has already been approved for loan support. A further £800k has already been identified with our participating partners as potential applications.

Key Areas of Focus

The No Use Empty Initiative continues to support key objective areas, including Dover Town Centre and surrounding wards, whilst in Thanet, the Initiative has been very active in Cliftonville (53% of loans approved) as demonstrated in the tables below:

DOVER WARDS	Loan Value £	Leverage £	Total Investment £	% of Loan	Units
Castle	256,000	101,000	357,000	24%	11
Maxton	384,510	319,698	704,208	36%	17
North Deal	75,000	45,000	120,000	7%	3
St Radigund's	42,500	10,087	52,587	4%	2
Tower Hamlets	50,000	66,182	116,182	5%	2
Town and Pier	225,000	1,936,404	2,161,404	21%	37
Walmer	25,000	10,000	35,000	2%	1
Total Dover NUEI Loans	1,058,010	2,488,370	3,546,380	100%	73

THANET WARDS	Loan Value £	Leverage £	Total Investment £	% of Loan	Units
Birchington North	25,000	220,000	245,000	2%	1
Central Harbour	225,000	99,000	324,000	14%	12
Cliftonville West	855,000	1,564,000	2,419,000	53%	41
Eastcliff	270,000	209,000	479,000	17%	11
Garlinge	21,540	5,000	26,540	1%	1
Margate Central	172,000	335,000	507,000	11%	7
Newington	25,000	4,000	29,000	2%	1
Westgate-on-Sea	25,000	25,000	50,000	2%	1
Total Thanet NUEI Loans	1,618,540	2,461,000	4,079,540	100%	75

Repayment of Loans

All Loans administered are secured as a 1st or 2nd Charge on the properties being brought back into use. There is a risk assessment process in place and a Loan to Ratio Value of 90% including any 1st Loan).

The original repayment dates for loans issued during 2006-2009 was 31st March 2011. All loans administered since this time have a repayment date of 31st March 2013, with a view that loan monies can be recycled.

To date £269k has been repaid (ahead of schedule) and a further £713k due at the end of this financial year.

There have been no defaults to date. All projects are routinely monitored.

Achievements to Date

Mar 2008	PSA Target of 372 was exceeded by 31% with 487 achieved securing a Performance Reward Grant of £2.239M (Confirmed April 2009) for KCC.
Apr 2008	All 12 districts participating in the Initiative. (Dover & Thanet participate in the Loan Scheme) Towards March 2010 target is set at bringing back into use 650 empty
Apr 2009	KCC Budget approved including the re-alignment of funding to March 2013, giving other districts who have indicated a desire to join the Loan Scheme to participate.
Jun 2009	Towards 2010 met ahead of schedule with the target being exceeded by 12% with 728 units being achieved. Target is increased to 850 units.
Sep 2009	KCC/Empty Property Initiative identified as a model of excellence in Audit Commission Report – Building Better Lives.
Nov 2009	Dartford, Sevenoaks and Shepway all now participating in the loan scheme having seen the results achieved primarily in Dover and Thanet. First loans already approved.
Mar 2010	Towards 2010 target is exceeded. Cumulative figure of 1,266 units achieved versus target of 850.

Current Targets

The Initiative has a target (based on local Council's targets) to return a minimum of 200 units per annum for the next three years. The 1st Quarters results will be will be verified during July-Sep.

Actions Planned

In addition to those actions planned for July-Sep 2010

Work has just commenced on providing information to feed into the Single Conversation Local Investment Plan (East Kent).

Government Office for South East (GOSE) has also requested information for Homes and Communities Agency (HCA) regarding Empty Homes Initiatives.

Steve Grimshaw
Regeneration Project Manager

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BY: Kevin Lynes, Cabinet Member for Regeneration & Economic Development
David Cockburn, Interim Chief Executive

TO: Regeneration & Economic Development Policy Overview & Scrutiny Committee – 8th July 2010

SUBJECT: Regeneration and Economic Development Financial Outturn and Unit Operating Plan Outturn for 2009/10

Classification: Unrestricted

Summary:

This report summarises the 2009/10 financial outturn, together with annual operating plan outturn information, for each of the Service Units within Regeneration and Economic Development Portfolio. The report brings together financial and key activity and performance outcome information in the same place.

Members are also asked to consider how the committee should contribute to formulating the 2011/12 budget and medium term plan at an earlier stage than previous years.

FOR DECISION

1. Introduction:

- 1.1 In the March/April cycle of meetings POSCs received a report setting out the latest forecast outturn for the 2009/10 financial year as reported to Cabinet based on the position as at the end of the third quarter. Half-year performance monitoring against unit business unit plans was reported in the January cycle.
- 1.2 Last year each directorate prepared a combined unit level budget and performance outturn report for the July cycle of POSC meetings for the first time. Previously outturn reports had been included in the September cycle. This report builds on the lessons from last year.
- 1.3 At its April meeting the Scrutiny Board recommended that all POSCs need to formulate their arrangements for contributing to the development of the budget so that they are able to have an input at an earlier stage than previous years. In particular POSCs should consider whether the Informal Member Groups set up following the November 2009 meeting should meet regularly between now and December when the draft budget needs to be finalised for formal consultation. This was re-affirmed at a recent training session for all Overview and Scrutiny members.

2. Regeneration and Economic Development Portfolio 2009/10 Financial Outturn-Revenue

- 2.1 The provisional revenue outturn was reported to Cabinet on 14th June together with recommendations on rollover for committed projects and contributions to reserves for uncommitted under spends. The overall position for the Regeneration and Economic Development portfolio was a net under spend of £30.2k.
- 2.2 Table 1 sets out the original budget, final approved cash limit and spending for each service unit within the Regeneration and Economic Dev portfolio. The changes between the original budget and final approved cash limit are all within KCC's "virement" rules as set out in Financial Regulations.

Table 1 Service Unit	Original Budget £000s (Net)	Approved Cash Limit £000s (Net)	Final Outturn £000s (Net)	Variance from Cash Limit £000s (net)
Regeneration & Economic Development	5,836.0	6,309.3	6,306.3	-3.0
Kent Film Office	141.0	101.1	107.7	6.6
Resources	323.0	267.9	270.0	2.1
Strategic Management	158.0	158.0	158.2	0.2
Analysis & Information	712.0	871.4	835.3	-36.1
Geographic Information Systems	388.0	387.9	387.7	-0.2
CED Support Services	250.0	0.0	0.0	0.0
Total	7,808.0	8,095.6	8,065.4	-30.2

- 2.3 The outturn is largely as reported throughout the year. The under spend on the analysis and information team is slightly less than the third quarter forecast. The net £30k under spend has been rolled forward as committed to support the restructuring of the Analysis and Information team which commenced on 22nd February but will not be completed until 2nd August.

3. Regeneration and Economic Development Portfolio 2009/10 Financial Outturn – Capital

- 3.1 Table 2 identifies the planned and actual spend on all capital projects in 2009/10 and the total approved and forecast spending over the lifetime of these projects.

Table 2

	2009/10 Spend				Total Scheme Cost		
	Original Budget £000s	Approved Cash Limit £000s	Final Outturn £000s	Variance from Cash Limit £000s	Approved Cash Limit £000s	Forecast Spending £000s	Variance from Cash Limit £000s
<u>Schemes with Approval to Spend</u>							
Kent Thameside Regeneration Partnership	480	480	508	28	3,852	3,880	28
Kent Empty Property Initiative	1,500	986	986	0	6,625	6,625	0
Euro Kent Road		80	40	-40	6,605	6,605	0
De-dualling Forthill Road			1	1			0
Dover Priory	1,410	936	929	-7	1,710	1,692	-18
Gravesend Old Town Hall Phase 1 & 2	421	1,280	980	-300	2,233	2,243	10
Dover Sea Change	400	519	519	0	2,295	2,295	0
Swale Parklands	750	50	53	3	750	750	0
Margate Eastern Seafront	0	0	0	0	850	850	0
	4,961	4,331	4,016	-315	24,920	24,940	20
<u>Schemes with Approval to Plan</u>							
Capital Regeneration Fund	1,874	1,874	0	-1,874	11,374	11,374	0
Kent Thameside Major Works Delivery Board					1,440	1,440	0
	1,874	1,874	0	-1,874	12,814	12,814	0

3.2 The movements from the original budget and the approved cash limit have been reported in monitoring during the year and the cash limits were changed when the capital programme in 2010/13 medium term plan was approved in February.

3.3 There has been re-phasing of expenditure on projects during the year as follows:

i) Empty Property Initiative due to delays in processing legal documentation

ii) Dover Priory Station Approach Road due to poor sub structure for the existing road and requirement to reconstruct

iii) Dover Sea Change due to delays on legal agreements between KCC and Dover Harbour Board and on collateral warranty between Dover Harbour Board and the contractors (Ringway). Works have now commenced from March 2010.

iv) Gravesend Old Town Hall includes £452k re-phased from 2008/09 due to difficulties in removing the supporting columns for the portico. The project is nearing completion and will be close to the total approved budget of £2.223m. The £300k for 2009/10 relates to incorrect presentation of external funding which will be corrected in 2010/11 monitoring.

4. Regeneration and Economic Development 2009/10 Unit Business Plan Outturn

- 4.1 A detailed performance return FOR Regeneration and economy is appended to this report (Appendix one).

5 Recommendations

- 5.1 Members of the Regeneration and Economic Development POSC are asked to:
- a) NOTE the revenue and capital financial outturn for 2009/10 including rollovers for committed projects and changes to capital programme
 - b) NOTE the performance outturn for 2009/10
 - c) CONSIDER how the POSC should contribute to the development of the 2011/12 budget and to agree that an Informal Member Group be asked to meet on a regular basis over the next 6 months in order to get a fuller understanding of the implications of potential budget reductions and report back to the full POSC in November and January.

Janice Hill
Performance Manager
Ext 1981

Dave Shipton
Finance Strategy Manager
Ext 4597

SED&ICT - REGENERATION AND ECONOMY

Key achievements

Regeneration and economic development is a long term investment: it does not deliver in a single year – the improvements, changes are witnessed over many years.

However, for our investment of both time and funding we are planning for improved economic prosperity across the county whether this is growth in Thames Gateway, Ashford and Dover; reduced deprivation in Thanet; more businesses trading successfully in Kent or a growing, confident rural sector. Alongside economic growth we will also be planning for sustainable, quality communities that provide for whole community needs both now and in the future.

Taking into account the challenging economic climate, the unit has worked hard with its many partners to deliver fully 74% of its objectives with a further 15% in progress. The progress with the Regeneration Framework and the supporting strategies (including spatial, housing, transport and environment strategies) as well as initiatives in Thames Gateway, Dover and Ashford stand testament to the efforts. Real progress is being made in Thanet in identifying core issues - our priority for 2010/11 will be to deliver on housing, public realm improvements and marketing alongside the launch of Turner Contemporary. We have continued to develop our relationship with businesses, particularly through the member organisations such as the Chambers and Federation of Small Businesses and supported events such as the Kent Excellence in Business Awards. Each of the four 'single conversations' (prioritisation exercises) with the HCA are being supported and progressed. The rural agenda is an increasingly important element of our work and significant progress has been made in championing the rural businesses and communities and ensuring their needs are reflected in mainstream strategies.

Where progress has been slower has been almost entirely down to the market (Kings Hill, Rendezvous site) or reduced (and sometimes delayed) resources available from our partners i.e. progress with Leader+, Dartford and Northfleet stations, Rural Access to Service Programme.

Exception reporting against Key Performance Indicators and projects, developments and key actions

Total number of Projects/Development/Key Actions **134**

Task complete: **99 (74%)**

Part complete and carried forward: **20 (15%)**

Not complete or not started or part complete but not being carried forward: **15 (11%)**

Explanation for part complete projects/developments being carried forward in 2009/10 business plan and tasks that will not be completed

Part Complete and being carried forward

- Housing Strategy – complexity, ambition and political sensitivity of projects has extended timetable needed to complete. Launch of strategy is planned for October
- Margate Rendezvous Site targets (4 targets) – The delivery of the scheme has been delayed by difficulties in achieving consensus, pursuing new proposals and the market downturn. Research has been undertaken on potential of hotel and conferencing markets.
- Natural East Kent Project targets (2 targets) – Work was delayed as recruitment to the key project manager post took longer than expected but is now starting to deliver on outcomes and new targets are in place for 2010/11
- Refurbishment of Dartford Station should have commenced in 2010/11 but programme funding was only agreed on 31 March and work will now be undertaken and completed in 2010/11
- Funding for the refurbishment of Northfleet station was not secured in the current CSR (Comprehensive Spending Review) period and the scheme has been suspended pending a bid for funding in the 2011/12 to 2013/14 CSR period
- Rural Access to Service Programme had planned to develop 4 community shop enterprises but only 3 came forward in 2009/10 though there are now 2 more under development
- Kent Design Initiative (2 targets) – website and training programme development were hampered by lack of resource to deliver but internal resource has now been identified to deliver in 2010/11
- Homes and Roads (3 targets) - It was expected that the funding agreement for Homes and Roads would be signed very early in 2009/10 but was not agreed until March 2010 delaying agreement of programme and its review. With the agreement now in place this work is being progressed in 2010/11
- Some of the project outcomes for Ashford projects (5 targets) have not been achieved due to delays in timetable outside control of KCC.

Not complete or not started or part complete but not being carried forward

- Kent Science Park (2 targets) around route alignment design and phasing plan have stalled and the project has been accelerated to political level for lobbying
- Kings Hill projects (2 targets) on home building and development of business space have been affected by the market downturn
- Target to commence occupation of Gravesend Old Town Hall has been delayed because of a lack of revenue funding to operate the building. Revenue bid to the Regeneration Fund has been agreed.
- Green and Blue Grid – delay in the timetable outside of KCC control
- Changes to SEEDA organisational structure and re-prioritising of work have meant that (3) targets on delegated rural delivery, post office access, Leader + were not able to be pursued
- The Rural Towns Programme (2 targets) has been affected by unplanned absence and the subsequent loss of the programme manager. The work is not being taken forward in 2010/11
- Kent Design Initiative (2) targets on publicity programme and advising on 10 major developments have not been pursued due to other priorities

<ul style="list-style-type: none"> Rural Access to Service Programme It was intended to fund an innovative flagship project for the programme but partners decided not to proceed prioritising continued investment in other programme strands Kent Business Observatory research was decided not to take forward in this format but as an off-shore wind farm supply directory. 				
Towards 2010				
Target/Accountable Directorate	Sept 2008	Mar 2009	Sept 2009	Mar 2010
Target 1: Substantially increase the number of new jobs by increasing the number of companies investing in Kent and the number of businesses starting up or expanding <i>Regeneration & Economy</i>	On course	On course	On course	On course
Target 7: Fulfil Kent's potential as a premier tourist destination <i>Regeneration & Economy</i>	On course	On course	More progress needed	On course
Target 39: Bring back into use the large number of empty homes in Kent <i>Regeneration & Economy</i>	On course	On course	Done and ongoing	Done and ongoing
Target 40: Ensure that new housing developments include the right infrastructure and local facilities and cater for a mix of age groups and incomes <i>EHW/Regeneration & Economy</i>	More progress needed	More progress needed	On course	On course
External Evaluation				
The Division has not been subject to formal external review during 2009/10.				
During 2010/11, new business systems are being put in place to pro-actively seek customer feedback and ensure this is more systematically recorded and reported to the Leadership Team on a regular basis.				
User/Resident Involvement Planned for 2009/10				
<u>Sea Change Project</u> - Preparation of cultural strategy and input to cable car and public realm projects.				
<ul style="list-style-type: none"> Cultural strategy – consultation period June to August 2009. Approx 200 interviews with residents and businesses. Strategy report just completed (June 2010) and will be fed back to consultees/wider public throughout 				

July/August 2010

- Esplanade – consultation with general public through July to October 2009. Exhibition in Discovery Centre Dover and at Dover Castle and then formal consultation in Dover Gateway on October 1st and 2nd by Jacobs with approx. 50 respondents.

Sittingbourne Northern Relief Road Bapchild Link Road

Views reported to Members to inform decisions about detailed alignment of road

Margate Old Town Parking Access

Analysis of parking habits and opinions of different groups on current parking provision to develop a broader action plan to improve provision.

Results were inconclusive with extremely low sample rate (managed by local action group who completely over-estimated the local strength of feeling) and no clear way forward. No further action is proposed. Results were reported to Margate Renewal Partnership Board and the project abandoned. Local Action Group informed of position.

A2 Cycle Project – Gravesham

Feedback was that 84% support the scheme although concerns were raised about lighting, noise and traffic. The results have been taken into consideration in land management plans, planning applications, bids to funding partners on design.

Greening the Gateway projects

Undertaken facilitated workshops with community to feed into projects development. Long timescale for delivery of projects so consultation and feedback is iterative.

Kent Design - To test how effectively Guide is used, where it is not used and the barriers. There was a very poor response to this consultation, but those received confirmed that the main Kent Design Guide and the Interim Guidance Notes are used when needed. However, the daughter Technical Appendices and the Making It Happen documents are not. The exercise was very useful in building a better working relationship with all the LPA's and representatives from each (including Medway) now sit on the Kent Design Initiative (KDI) Steering Group, and have a direct influence and input into the KDI annual action plans

Gravesend Old Town Hall

There has been ongoing consultation with the original partner organisation Fit Voices (now Whole Community Works - WCW) a multi faith charity. The initial vision was to create a place for the Gravesend Community to come together to support each other and in particular vulnerable people within it. Formal consultation has been provided via six workshops with invited stakeholders from the faith, arts and local history groups as well as representation from all ethnic communities in the Gravesend area and age groups. The purpose was to develop a vision for the building and to determine the likely uses of the restored Old Town Hall building and in turn to shape the final phases of this work. A Management Committee was formed from the most active of these stakeholders which

continued to develop the vision further. A Memorandum of Understanding between KCC as building owners and WCW is now being drafted to establish usage of the building and to deliver the shared vision.

Engagement Activity which has not taken place

Aylesham training centre concept

Determine level of support for a construction training centre proposals. Consultation did not take place as we are no longer involved in this project.

Dartford station

Accountable Body status passed to Dartford BC at the end of March 2010 as KCC was not in a position to sign a funding agreement with HCA and no consultation took place.

Northfleet station and pedestrian link to Ebbsfleet

The project failed to secure funding from the HCA through either the Community Infrastructure Fund (CIF) of the Thames Gateway Programme. With no prospect of the funding gap being overcome work has been suspended on this project and no consultation took place.

Rendezvous site

Due to market difficulties, the planning application for the Rendezvous site was delayed and in consequence the consultation did not take place.

Discovery Park

Project has been put on hold by Ashford Borough Council.

Natural East Kent Access project

Introduce changes to improve provision and maintenance of access facilities and integrate with the local tourism offer. This consultation has been carried forward to 2010/11.

Complaints, Comments and Compliments

The Regeneration and Economy Unit received no complaints in 2009/10 and 2 compliments for the Kent Property Market Report breakfast launch.

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By: Kevin Lynes, Cabinet Member, Regeneration
David Cockburn, Executive Director Strategy, Economic
Development & ICT

To: Regeneration and Economic Development Policy Overview and
Scrutiny Committee 8 July 2010

Subject: Update on Major Projects

Classification: Unrestricted

Summary:

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

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

1. Introduction

- 1.1** This report provides Members with a quarterly update on the progress of major regeneration projects being delivered by Regeneration and Economy.
- 1.2** 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 have been approved for funding from the Regeneration Fund.

Project	Summary of project outcome	Cost of Project KCC/Partners £	Progress since last quarter April – June 10	Actions planned for next quarter July – September 10
Ashford Growth Area - Lead Officer: Mike Bodkin				
Ashford Growth Area	Delivery of the Ashford Programme to support sustainable economic growth	Total Programme value: £53.5m public sector funding (of which £22m GAF 3 and £5.5m KCC funding).	<ul style="list-style-type: none"> • Funding agreement for Junction 9 and Drivers Roundabout finalised. Work has commenced on site. • Land agreements for Victoria way signed and work due to start. • Work being undertaken by URS in relation to the strategic tariff nearing completion. • Work has started on the Gateway+ site. 	<ul style="list-style-type: none"> • Complete work to develop the strategic tariff. • Engagement in master planning for Southern Expansion Quarter, Commercial Quarter, Elwick Place Chilmington and Cheesemans Green. • Business case for Smartlink delayed as due to Government spending cuts, DfT have advised that no new bids for new schemes will be accepted before the CSR
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	Total cost - £200m (at 2009). (Price base varies for funding commitments) Regional Transport Programme (DfT) £46m (at 2008) HCA £23m (at 2008) DfT £26m (at 2007) Eastern Quarry £40m (at 2007) Developer Contributions £63m (at 2009)	<ul style="list-style-type: none"> • HCA contribution of £13m in current CSR agreed. £10m for next CSR period will fall under this review period and is not guaranteed. • Negotiations with Land Securities regarding Deed of Variation for payment of £40m contribution from Eastern Quarry completed at end of June. • Agreement between Kent Thameside partners on Memorandum of Understanding providing a non-binding commitment to delivery of Programme. • Programme investment fund established. 	<ul style="list-style-type: none"> • Completion of Governance arrangements for the management of the Programme. • Completion of Funding Agreement with DfT to secure £26m contribution to Programme. • Completion of KCC/DBC/GBC Partnership Agreement to provide further developer contributions towards the Programme. • First Forward Delivery Programme agreed.

Project	Summary of project outcome	Cost of Project KCC/Partners £	Progress since last quarter April – June 10	Actions planned for next quarter July – September 10
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	<ul style="list-style-type: none"> Detailed re-configuration of existing S106 for Ebbsfleet –on going discussions taking place between KCC and Land Securities Discussions on going between the LPAs, KCC and Land Securities regarding the variation of conditions and triggers with respect to the planning permission for Ebbsfleet. 	<ul style="list-style-type: none"> Substantial completion of adjustments to masterplanning negotiations with Land Securities. Clearer understanding of proposed timescale for next phases of development of Ebbsfleet Valley.
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)	<ul style="list-style-type: none"> Project completed in mid May. 	<ul style="list-style-type: none"> Handover to Network Rail anticipated in July following resolution of snagging. Formal opening (date to be confirmed).
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)	<ul style="list-style-type: none"> Secret Wartime Tunnels project started by English Heritage (June). Complete installation of precast concrete units on Esplanade (June). Commence Esplanade soft landscaping works (June). Cable car feasibility completed (May). 	<ul style="list-style-type: none"> Expected completion of Esplanade project (July). 12 month construction period for Secret Wartime Tunnels underway.

Project	Summary of project outcome	Cost of Project KCC/Partners £	Progress since last quarter April – June 10	Actions planned for next quarter July – September 10
Thanet - Lead Officer: Theresa Bruton				
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. EuroKent spine Road opened November 2008	KCC purchased Manston Park landholdings in June 2006 £5.35m. Now sits alongside TDC equivalent landholding at EuroKent in the LLP	<ul style="list-style-type: none"> Contracts with solicitors on two purchases at Manston. Company funding being re-profiled including £95k short term loans from TDC and KCC 	<ul style="list-style-type: none"> Implementation of updated business plan. Timing for consultation and planning application for Eurokent to be addressed alongside TDC's progress with LDF Core Strategy.
Margate - Lead Officer: Keith Mackenney				
Rendezvous site development	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 are working with Thanet District Council (TDC), to transform the Grade 2 listed, Winter Gardens into a	Total cost will be determined by the eventual direction of the project.	<ul style="list-style-type: none"> Specialist consultants, TRI, have reported back on their investigation of market opportunities relating to a hotel on the Rendezvous site and a modern, flexible conference centre development at the adjacent Winter Gardens. 	<ul style="list-style-type: none"> The existing project team will work with architects and quantity surveyors to further test the viability of delivering a well designed and well constructed hotel on the Rendezvous site within the market constraints identified by TRI. A joint officer team from KCC and Thanet District Council to consider options for the future of the Winter Gardens.

Project	Summary of project outcome	Cost of Project KCC/Partners £	Progress since last quarter April – June 10	Actions planned for next quarter July – September 10
	successful, modern operation.			
Development on the Dreamland site	To work with the Margate Renewal Partnership and site owners to deliver the Dreamland Entertainment Complex & Heritage Amusement Park on a 10 acre site around the listed cinema and scenic railway.	£12.4m (Phase 1) including: SeaChange £4m HLF £3m TDC £0.75m Developer £4m	<ul style="list-style-type: none"> Whitelaw Turkington have been appointed lead designers with Guy Hollaway as architect. TDC has increased its project contribution to £2.2m with an agreement to cover an additional £1.8m from prudential borrowing. 	<ul style="list-style-type: none"> The HLF bid is due to be submitted in July and will now seek £4m not £3m. Stage D design work will be completed during August and urgent works will take place before the end of the year with the main work commencing during February 2011.
Countywide - 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	<ul style="list-style-type: none"> Final value of Loans paid in 09-10 confirmed at £985.6k Target for 2010-13 is agreed at 200 units per annum. Contributed to Kent Wide Housing Strategy Policy KCC presented at National Empty Homes Conference (Birmingham). 	<ul style="list-style-type: none"> Newsletter Distribution and further publicity in local press and potential feature in Kent Messenger. NUEI Website to be refreshed Districts have identified a further 10 properties for which loan applications are likely to come forward. Follow up with Swale and Tunbridge Wells regarding participating in Loan Scheme. Collate 1st Quarter returns. Prepare paperwork to remind early recipients of loans approved that repayment will fall due March 2011. Explore potential for NUEI to access additional funding to enhance scheme.
Countywide – Backing Kent People Lead Officer: Rob Hancock				
Backing Kent People	The campaign brings together partners from across the public and	£40k allocated for initial campaign	<ul style="list-style-type: none"> BKP currently being reviewed to determine future direction. 	Agree future direction for BKP based on review.

	<p>voluntary sectors to help Kent people whether the recession and make it easier for them to get the help they need.</p>	<p>£5k for first edition design, production, printing and distribution of Money Box Magazine. Second edition £7k contribution by KCC with increased distribution.</p> <p>Kent Credit Union original KCC development budget of £100k plus £250k allocated to Kent Savers.</p> <p>£4k allocated the creation of the Kent & Medway Financial Inclusion Partnership</p>	<ul style="list-style-type: none"> • Second edition agreed with partner Town & Country RSL for summer 2010 targeting advice for older people • KentSavers office now staffed and open for business with final testing of electronic banking systems near completion • In first three months the Credit Union has: <ul style="list-style-type: none"> ○ Dealt with over 1000 applications for membership and for loans ○ Current membership is 250 ○ agreed 78 loans against a target of 100 during first year of operation ○ 228 registered savers • Meetings to be held in June with Medway to discuss future direction of the proposed partnership 	<p>Produce 2nd Edition of Money box Magazine.</p>
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Project	Summary of project outcome	Cost of Project KCC/Partners £	Progress since last quarter April – June 10	Actions planned for next quarter July – September 10
Countywide – Backing Kent Business Lead Officer: Jim Mckenzie				
Backing Kent Business	To support Kent businesses through the recession via KCC 10 Commitments and to develop a new relationship with business	£120,000	<ul style="list-style-type: none"> • 1st Apr - BKB Partner meeting. Agreed to focus on three key priorities – London Array procurement opportunities, public sector procurement and small business access to banking finance. 	<ul style="list-style-type: none"> • Review of BKB future direction in light of changing economic circumstances. • 16th July County Show with IoD business breakfast sponsored by KCC. • Regular BKB Partners meetings.

Project	Summary of project outcome	Cost of Project KCC/Partners £	Progress since last quarter April – June 10	Actions planned for next quarter July – September 10
			<ul style="list-style-type: none"> · 8th Apr Channel Chamber business breakfast event with around 70 businesses. · 13th Apr – KCC Chairman’s Reception event in Folkestone to support call for new nuclear power station at Dungeness. · 22nd Apr Kent 2020 business exhibition and conference. · Published an annual review of Backing Kent Business: A Year of Progress and published a BKB leaflet entitled ‘What Does KCC do for Kent business?’ · 18th May – BKB business breakfast with Thames Gateway (Kent) Chamber of Commerce. · 26th May – BKB business breakfast with Channel Chamber of Commerce. · 28th May – BKB business breakfast with Canterbury for Business. · 9th June – Launch of business supply chain directory for London Array development with funding from KCC. · 22nd June Invicta Chamber of Commerce business exhibition and conference 	

2. Regeneration Fund bids

- 2.1 Since the last meeting of the Committee, 2 bids have been approved for funding from the Regeneration Fund.

Bids	Overview	£
Kent Graduate Portal	Development and establishment of a graduate portal	£178k (rev) £15k (cap)
Gravesend Old Town Hall	Funding for initial operating costs to enable building to become established as a business and community centre	£326.7 (rev) £59.5 (cap)

3. Recommendations

- 3.1 Recommendation

Members are asked to note progress against each of the projects and the bids seeking funding from the regeneration fund.

Lead Contact Officer:

Director of Economic Development
Barbara Cooper
Tel: 01622 221856

By: Overview, Scrutiny and Localism Manager

To: Regeneration and Economic Development Policy Overview and Scrutiny Committee – 8 July 2010

Subject: **UPDATE ON SELECT COMMITTEE WORK**

Classification: Unrestricted

Summary: This report updates Members on Select Committee work going on in 2010.

Current Select Committees

1. (1) Previous update reports promised that all POSCs would be kept up to date on the work of all Select Committees. Work is currently progressing on the following Select Committees:-

Renewable Energy

(2) This Committee has now completed its evidence gathering, having sought a wide range of written evidence and held seven hearing sessions, in which it interviewed contributors including representatives from the energy industry, community groups, environmental organisations, academics and others. The Committee has also visited sites, attended a conference and issued a questionnaire to all Kent schools to ascertain the existing level of renewable energy generation. By the time of this meeting, it will have drafted and agreed its recommendations, and its final report will be prepared for consideration by the County Council on 14 October 2010. The contacts in Democratic Services for this Committee are Research Officer Sue Frampton (01622 694993) and Democratic Services Officer Christine Singh (01622 694334).

Extended Services

(3) This Committee has completed its evidence gathering and, by the time of this meeting, will have drafted and agreed its recommendations. In eight hearing sessions, the Committee interviewed representatives from KCC Directorates, head teachers and pupils from schools and colleges across Kent, governors, external companies delivering extended services, academics and a parents' organisation. It also visited sites at which innovative extended services are being delivered. Its final report will be prepared for consideration by the County Council on 9 December 2010. The contacts in Democratic Services for this Committee are Research Officer Gaetano Romagnuolo (01622 694292) and Democratic Services Officer Theresa Grayell (01622 694277).

Future Select Committee Work

2. (1) Work is due to start later in 2010 on the following Select Committees:-

- Educational Attainment of Pupils and Schools in Areas of High Deprivation
- Dementia

(2) If Members have any suggestions of topics they would like to put forward for consideration for inclusion in the future topic review work programme, they should contact the Democratic Services Officer for this POSC.

Recommendation

3. (1) Members are asked to note the progress of the Renewable Energy and Extended Services Select Committees and the further Select Committee work which is planned to start later in 2010.

(2) Members are also asked to consider if there are any topics they would like to put forward for possible inclusion in the future topic review work programme, and to advise the Democratic Services Officer of any such topics.

Theresa Grayell
Democratic Services Officer

Background Information: *Nil*

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