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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 Council Chamber, Sessions House, County Hall, Maidstone on Wednesday, 17 November 2010.

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

ALSO PRESENT: Mr K G Lynes, Mr M J Whiting and Mr M A Wickham

IN ATTENDANCE: Mr D Cockburn (Executive Director, Strategy, Economic Development & ICT), Mr N Smith (Head of Development Investment), Mr M Bodkin (Head of Urban Regeneration), Mrs T Bruton (Head of Regeneration Projects) and Miss T Grayell (Democratic Services Officer)

UNRESTRICTED ITEMS

45. Minutes of the meeting held on 23 September 2010

(Item A3)

RESOLVED that the Minutes of the meeting held on 23 September 2010 are correctly recorded and that they be signed by the Chairman.

46. Update on District Visits

(Item B1)

Mr M J Whiting, Member for Swale Central, was present for this item and spoke on it with the permission of the Chairman.

Mr M Bodkin, Head of Urban Regeneration, Mrs T Bruton, Head of Regeneration Projects, Mr P Champion, Development Contributions Manager, Mrs H Coleman, Economic Development Manager, Mr R Hancock, Regeneration and Projects Manager, Mr D Hughes, Regeneration and Projects Manager, Mr I Lewis, Growth Areas Manager, and Mr K Mackenney, Regeneration and Projects Manager, were in attendance for this item.

The Chairman, Mr M C Dance, declared an interest as a Trustee of Sheppey Academy, having previously served as an elected Member of Swale Borough Council, and Mrs J A Rook declared an interest as her family business has retail premises in a number of Kent towns.

Mr K A Ferrin declared a prejudicial interest due to his involvement with Kent Science Park in Sittingbourne, although, as this site was not referred to specifically during the discussion, he was able to remain in the room and take part in the general discussion on the item.

1. Mr N Smith introduced the report and explained the criteria against which the priorities arising from each district visit had been assessed and awarded a provisional rating of High, Medium or Low. He emphasised that the exercise had been an independent assessment, and assured Members that the criteria had been applied consistently across all districts. Priorities listed were those which had been identified at the visit, within the context of the Regeneration Framework. The report also included an update on any change to the projects in the time since the visit.

2. Members were asked to consider the priorities listed, identify any priority which they thought had been omitted from the list, and decide if they agreed the rating awarded to each priority. Members discussed what they had seen and heard at each visit, and the officer team answered questions of detail. Points highlighted by questions and comments were as follows:-

General Comments on the assessment process:-

- Members would need to consider how each District's priorities link with the KCC's priorities;
- The priorities listed must be achievable;
- Members would need to consider the likely county-wide effects of the new Local Enterprise Partnerships; and
- KCC should stimulate economic growth as an underlying theme, in all areas.

ASHFORD

- the town centre is a joint priority with the Borough and County Councils;
- it is right that Ashford's status as a growth point has a High rating. The Regional Spatial Strategy will set ambitious growth targets;
- there was a difference of view locally over the value of 'Ashford's Future'. Some Members expressed the view that it is a good driving force and a big advantage for Ashford, which, if it were to be discontinued, would need to be replaced with something as dynamic. Other Members, however, did not share this view;
- Local Development Framework assumptions made in 2008 were driven by Ashford's status as a growth point; if one thing were to change, it would change the basis of other things;
- KCC has delivered over £30million of transport schemes in and around Ashford. Future programme management will be done jointly with the Borough and County Councils; and
- 'Supporting the development of Higher Education/Further Education Learning and Skills provision' should be increased to a High priority rating.

CANTERBURY

- since the visit, Herne Bay had benefitted from £26million of private investment and £4½million from the City Council for sports and other service provision;
- a High rating for Higher and Further Education is good, as the area has three Universities. The student population is very important;
- cultural investment in Canterbury (eg, Marlowe, Beaney Institute) will benefit the wider area of East Kent;
- Whitstable has been a great success story and is still moving forward with good momentum;
- attitudes to joint working have changed much for the good over the years, and some East Kent districts have grouped together in a new way which would not have been possible six months ago;

- an additional priority – transport links – was suggested, with a High rating (*although it was not agreed to add this as a priority*).
- the Freedom Pass has been a big advantage in helping secondary school students travel to Canterbury schools, and there are successful initiatives which must be retained;
- the Freedom Pass needs to make more difference to access in rural areas; and
- transport is the key to regeneration in all areas; the Committee must ensure that discussions are ongoing. There are issues around the range of types of transport which need to be addressed.

DOVER

- since the visit, much work has been done in Dover, and the District Council is looking at three priorities; developing a new town at Whitfield, building up maritime training at the Port of Dover to help promote links between learning and skills and jobs, and it is also hoping to attract Hadlow College to boost its rural economy;
- a new priority to add to the grid should be 'Essential joint working across District Councils to make a healthy economy for East Kent', and this should have a High rating;
- the Building Schools for the Future priority should now be deleted. This will be a big loss for Dover, but Dover will recover;
- priorities should emphasise Dover's status as a growth point;
- the importance of promoting Dover Town Centre should be emphasised;
- Dover has had much success so far, eg with HighSpeed1, with KCC's help, and neighbouring towns like Deal and Sandwich have benefitted too; and
- Dover's improvements should be celebrated, and successes used as case studies as examples of new ways of working.

KENT THAMESIDE – DARTFORD AND GRAVESHAM

- the visits to these two areas were very encouraging, and had shown good examples of how to manage regeneration well;
- the need to address the community needs of the huge residential development at Ingress Park had been the reason for the KCC adopting its present S106 policy;
- Dartford presents a fascinating case study of how to balance a town centre with surrounding retail areas, the former able to offer independent retailers and the latter large generic stores. Achieving a thriving town centre depended on people being able to live there;
- Bluewater's approach to apprenticeships and skills training had been enlightening, and a good example to use elsewhere;
- the changing economic climate would inevitably lead to a change in priorities, as previous priorities had been based on assumptions around levels of home ownership;
- Gravesend has potential to make use of its wharfage as a cruise terminal, and it would need to look at what heritage and cultural attractions the town could offer to cruise tourists. Once a wharf area had been given over to housing it could not be recovered;
- Gravesend has very recently opened a maritime centre of excellence to address the need for maritime training and ship building and repair;

- Crossrail had not been included in the current priorities as there is no funding available yet, but this would be held in reserve for the future; and
- a large development at Victoria Park in Dartford is much anticipated.

MAIDSTONE

- the Maidstone Southern Relief Road should be included as an aspiration (*although it was not agreed to add this as a priority*);
- Maidstone's status as an economic hub is an essential priority, as the town will potentially lose many public sector jobs in the near future. The priority to 'maximise Maidstone's potential as an economic hub' should be increased to a High rating;
- Maidstone's retail premises are of very high quality;
- road and rail links to the town are an issue to be addressed, and 'Lobbying Government for rail links' and 'Ensuring no adverse effects of congestion' should both be increased to a High rating. Public transport should be improved, as it is cheaper and easier to drive to Maidstone in a private car than it is to use public transport;
- regenerating deprived areas should be increased to a Medium rating; and
- Maidstone is a 'maturing' town and needs to look ahead to the next five years.

SEVENOAKS

- the visit to Sevenoaks had shown up areas of great economic and geographic diversity;
- it had become apparent that the Barnfield gypsy site had been spruced up in anticipation of the Committee's visit;
- New Ash Green had appeared to be a good coherent community but did not have the local facilities which it needed. Residents do not shop locally, and addressing the problems presented by the shopping centre is a major challenge; and
- the Sevenoaks area has a number of Independent Schools – 18% of schoolchildren in Kent are educated at Independent Schools – and KCC needs to know more about these schools.

SHEPWAY

- Shepway has the great benefit of a committed local entrepreneur and benefactor in the De Haan Trust;
- Members would need to consider the impact of the Local Enterprise Partnership on the issue of which Kent airport/s to develop;
- Lydd and Manston airports each have different roles, Lydd offering business flights and Manston being used mainly for freight;
- 'Supporting the development of Lydd airport' should be lowered to a Medium rating. *By 6 votes to 3, Members decided that Lydd should be prioritised below Manston;* and
- 'Supporting Shepway District Council in lobbying for Dungeness C power station' should be increased to a High rating, *by a unanimous vote.*

SWALE

- priorities should concentrate on supporting people and communities;
- KCC particularly needs to support Swale Borough Council, as the latter is one of the least well-off Councils in the county;

- money is extremely limited and efforts should concentrate on what is achievable. A major issue would be to consider what could be done in the interim before larger plans could start; and
- it is crucial that development at Queenborough and Rushenden is of good quality.

Mr M J Whiting, Local Member for Swale Central, supported the comments made by the Committee. He added that Sittingbourne was seen by local companies as a good area to locate their business, and the regeneration of Sittingbourne would benefit the rest of Swale.

THANET

- 'Providing jobs for local people' should be increased to a High rating;
- Margate has the potential to be a top destination for tourism;
- it is important to learn a lesson from the effect which the Westwood Cross development had had on Thanet's town centres. Members were advised that both the KCC and Thanet District Council had fought against the development but it had been allowed on appeal;
- Westwood Cross had brought good quality shops to the area, as well as jobs; Thanet's shopping had previously been poor;
- traffic networks in Thanet had developed in a haphazard way, with no coherent plan; and
- Thanet needs an economic climate which will attract private sector investment and high quality development. This investment could be attracted by a high speed rail link to bring Thanet within one hour's journey time to London.

TONBRIDGE AND MALLING

- 'Changing the image of the district as universally affluent' should be deleted from the priorities list.

TUNBRIDGE WELLS

- 'Addressing localised problems of congestion on the A26 and at North Farm and the need to dual the A21' should be increased to a High rating;
- the Local Enterprise Partnership (Tunbridge Wells, with Tonbridge and Malling, was part of the East Sussex LEP) might be able to put some weight behind raising the priority of the A21 dualling; and
- to address congestion and keep traffic moving freely would help both town centre and out-of-town shopping.

3. The Cabinet Member, Mr K G Lynes, commented that the discussion of priorities had given him a valuable opportunity to take an overview of the regeneration and economic development concerns across the county. Major economic and political changes would inevitably have an effect as they had altered funding streams and freedoms. He said he saw the KCC's future role being largely one of encouraging businesses and partners.

4. For each area, Members either agreed the provisional priorities as listed in the report or agreed changes to them. These are set out below:-

1. Ashford (date of visit: 30 April 2010)

<i>Priority</i>	<i>identified</i>	<i>Agreed</i>	<i>Update since visit</i>
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by REDPOSC	Rating	
Maintaining the critical nature of Ashford as a growth point	H	<ul style="list-style-type: none"> • LDF Core Strategy adopted July 2008. • Ashford's town centre and commercial quarter have now been identified as the top priority in the Ashford LIP. • Good progress by KHS on M20 Junction 9, M20 footbridge and Drivers roundabout improvements. • Victoria Way under construction by KHS but likely to extend beyond funding window. • DTZ has completed a report on HE and FE provision in Ashford and KCC is looking at the implications for the 14-19 age group and for secondary school provision. This should be finished at the end of the year.
Supporting the development of HE/FE learning and skills provision	H Increased from M	
Making provision for the future maintenance requirements of high quality public realm	L	

2. Canterbury (26 February 2010)

Priority identified by REDPOSC	Agreed Rating	Update since visit
Supporting joint working with the east Kent district councils in regeneration and economic development	H	<ul style="list-style-type: none"> • LDF Core Strategy Options report published in January 2010. • East Kent LIP being prepared by HCA, KCC and districts recognises importance of HE/FE sector to local economy • City Council's proposed Technology Park will help to develop that HE/FE potential. • Visit Kent is developing a cultural tourism programme for 2011, with a strong focus on East Kent.
Capitalising on Canterbury's pivotal role as a major centre for HE / FE in the county	H	
Maximising the opportunities for cultural regeneration across east Kent	M	

3. Dover (15 December 2009)

Priority identified by REDPOSC	Agreed Rating	Update since visit
Assisting the development of the White Cliffs Business Park (WCBP) through innovative financing mechanisms, and supporting the growth of Whitfield	H	<ul style="list-style-type: none"> • LDF Core Strategy adopted in February 2010 • Port expansion looks likely to be delayed until 2015. • KCC working with DHB and FE college to look at opportunities for maritime skills provision • KCC has set up an officer working group to advise and support Dover DC and prospective developers about community infrastructure needs for Whitfield • KCC is undertaking a feasibility study for a Bus Rapid Transit scheme that would connect the existing town with the port and growth areas of Whitfield and Farthingloe • Scope for major new build under BSF programme is very limited although Archers Academy new build is under review by government. • The BSF grammar school proposal at Whitfield has been discontinued.
Supporting port development at the Western Docks and related mixed use regeneration opportunities	M	

		<ul style="list-style-type: none"> Dover Construction Centre at Whitfield is being well used (caters for 16-19 age group)
Assisting the district council and Dover Pride to make the case for transport investment	M	
Making the most of KCC's commissioning role for learning and training provision in the 14-19 age group	M	
Making the most for Dover of the Building Schools for the Future (BSF) programme	DELETE	
ADD: Essential joint working across District Councils to make a healthy economy for East Kent	H	

4. Kent Thameside (12 March 2010)

Priority identified by REDPOSC	Agreed Rating	Update since visit
Balancing new growth at Ebbsfleet with town centre regeneration in Dartford and Gravesend	H	<ul style="list-style-type: none"> Dartford LDF Core Strategy is expected to be submitted in September/October 2010 GBC is assessing the development potential of all key town centre sites (including Heritage quarter & Northfleet Embankment) through emerging LDF Interim consultation on draft Gravesham Core Strategy expected in late autumn 2010 Most of REDPOSC priorities for area are included in North Kent LIP approved by districts in September 2010 Promising results from BSF Employment and Skills Plan in terms of work placements to date Decision awaited on the Strategic Transport Programme ('Homes and Roads') in light of the recent Comprehensive Spending Review
Ensuring that skills provision in the area is sustainable	H	
Knitting urban growth and early infrastructure provision with community development needs	M	
Integrating old and new communities by ensuring that new developments are not isolated in brownfield sites	M	
Ensuring that there is continued close and successful working between KCC, DBC and GBC	M	

5. Maidstone (1 October 2010)

Priority identified by REDPOSC	Agreed Rating	Update since visit
Maximising Maidstone's potential as an economic hub and balancing population growth and employment opportunities	H Increased from M	<ul style="list-style-type: none"> • Maidstone BC consulting on LDF Core Strategy in Jan/Feb 2011 • Maximising Maidstone town centre's economic potential, linked to the development of key sites and highway & public transport improvements, are identified as priorities in the West Kent LIP. • Otherwise no further progress to report
Ensuring that town centre regeneration is not adversely affected by congestion	H Increased from M	
Improving the FE and HE presence in the town	M	
Lobbying government over better rail connections to London	H Increased from L	
Regenerating deprived neighbourhoods such as High Street, Parkwood and Shepway	M Increased from L	

6. Sevenoaks (25 May 2010)

Priority identified by REDPOSC	Agreed Rating	Update since visit
Agreeing a joint approach to delivering a sustainable community at Fort Halstead	M	<ul style="list-style-type: none"> • Adoption of LDF Core Strategy anticipated in December 2010 • The regeneration of Swanley and New Ash Green town centres are identified as priorities in the West Kent LIP • Otherwise no further progress to report
Working with the district council to identify options for regenerating Swanley Town Centre	M	
Working with SDC to identify options for regenerating New Ash Green Shopping Centre	M	
Working with the district to assist continued integration of Barnfield Park Gypsy and Traveller site into the local community	L	

7. Shepway (1 September 2010)

Priority identified by	Agreed	Update since visit
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REDPOSC	Rating	
Supporting the master planning and development of Folkestone Sea Front	H	<ul style="list-style-type: none"> • Submission of LDF Core Strategy to government in July 2011 • Recent announcement by government that Dungeness 'C' has not been included in its list of new nuclear power stations • Otherwise no further progress to report
Supporting the development of Lydd Airport	M Reduced from H	
Supporting SDC in lobbying for Dungeness 'C' power station	H Increased from M	
Improving the future competitiveness of the local workforce through education and skills provision	M	

8. Swale (2 November 2009)

Priority identified by REDPOSC	Agreed Rating	Update since visit
Developing a multi agency approach to people based regeneration at Sheppey	H	<ul style="list-style-type: none"> • First consultation on LDF Core Strategy in January / February 2011 • Multi agency approach to development of Queenborough & Rushenden well underway, including housing retrofit programme, scoping work for a new community hub and a number of community environmental projects. • Planned cycle routes on Sheppey to be completed by KCC in June 2011 • Scope for significant KCC involvement through S106 work and developing Q&R as exemplar development with housing and employment sites linked to new opportunities at Sheerness • Completion of Rushenden Link Road in summer 2011 will enable Q&R development to happen • Initial design of route options for Southern Relief Road (SSR) linked to a new junction off the M2 were completed in July 2010 • Phasing & implementation plan being developed for SRR (completion Dec 2010) • Highways Agency about to publish its assessment of short term options for traffic capacity improvements at junction 5 of M2 • KCC has worked with partners to rescue the underperforming Kent Science Resource Centre and has taken over responsibility from Mid Kent College for promoting science courses at KSP • Construction of SNRR Milton Creek crossing started in early 2010. Expected completion in autumn 2011. • Consultation on SNRR Bapchild link completed and report on findings likely to be made available at end of 2010 • Elements of Swale Parklands project are now underway • Development north of Sittingbourne town centre subject to a preferred development partner competition led by Swale BC
Working with SBC to get the most out of Kent Science Park's contribution to science based jobs	H	
Working with Swale BC to develop Sittingbourne Town Centre	M	

		<ul style="list-style-type: none"> • <i>Deep Dive project looking at use of public sector assets in Sittingbourne town centre has started</i>
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9. Thanet (26 July 2010)

Priority identified by REDPOSC	Agreed Rating	Update since visit
<i>Supporting the Task Force approach to tackling deprivation and benefit dependency in Central Margate and Cliftonville West (CMCW)</i>	<i>H</i>	<ul style="list-style-type: none"> • LDF Core Strategy to be submitted mid 2011 • <i>Thanet Offshore launched 23 September 2010</i> • <i>London Array facilities now being built at Ramsgate port</i> • <i>Turner Contemporary will be completed in December 2010 and will be handed over to the Trust</i> • <i>Thanet DC's sea defence proposals for Margate accepted by Environment Agency</i> • <i>Turner and Townsend, working with consultants BBP and DTZ, appointed as project managers for housing intervention work at Central Margate / Cliftonville West.</i> • <i>Draft DTZ report has shown that improving accessibility and addressing housing issues in Cliftonville will have most impact on deprivation in Thanet</i>
<i>Encouraging economic development at Central Island and Ramsgate</i>	<i>H</i>	
<i>Improving accessibility to Thanet via HS1 and a Manston Parkway</i>	<i>H</i>	
<i>Providing jobs for local people</i>	H Increased from M	
<i>Changing Margate's image to improve its wider regeneration prospects</i>	<i>M</i>	

10. Tonbridge and Malling (28 September 2010)

Priority identified by REDPOSC	Agreed Rating	Update since visit
<i>Supporting the regeneration of Tonbridge town centre</i>	<i>M</i>	<ul style="list-style-type: none"> • LDF Core Strategy adopted in 2007 • <i>Regeneration of Tonbridge town centre, increasing affordable housing provision and support for West Kent Partnership are included as priorities in the West Kent LIP</i> • <i>No further progress to report</i>
<i>Developing key strategic sites to increase affordable housing provision</i>	<i>M</i>	
<i>Dealing with local deprivation in Snodland, East Malling and Trench</i>	<i>M</i>	
<i>Supporting the development of the West Kent Partnership to deliver economic development</i>	<i>M</i>	
<i>Changing the image of the district as universally affluent</i>	<i>DELETE</i>	

11. Tunbridge Wells (28 September 2010)

Priority identified by	Agreed	Update since visit
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REDPOSC	Rating	
<i>Regenerating the urban centres in the district through the joint venture between TWBC and John Laing plc</i>	<i>H</i>	<ul style="list-style-type: none"> • Current local plan adopted in June 2010, and borough council will shortly be reviewing LDF Core Strategy • <i>The redevelopment of the Sherwood Estate and the Kent & Sussex hospital site are identified in the West Kent LIP as the key regeneration priorities in Tunbridge Wells</i>
<i>Addressing localised problems of congestion, particularly along the A26 and at North Farm, and the need to dual the A21</i>	H Increased from M	<ul style="list-style-type: none"> • <i>No further progress to report</i>

5. Members then offered the following as their overall priorities for the whole of the county:-

- a Third Thames Crossing
- dualling of the A21
- a high speed rail link to Thanet
- Sittingbourne Northern Relief Road
- attracting private investment into the county
- improving the Tourism offer across the whole county
- creating a system to raise aspirations in training, skills and jobs
- transport links of all types (planes, trains and automobiles)
- Broadband, particularly in rural areas
- Town Centre regeneration.

6. RESOLVED that:-

- a) the priorities listed in paragraph 4 above represent the agreed priorities identified from the year-long programme of visits;
- b) a feedback report be produced which responds to the comments made by Members during debate and the changes made to the priorities, and this be submitted to a future meeting of the POSC; and
- c) Regeneration and Economic Development officers be thanked for accompanying each of the visits, for preparing notes and updated information since each visit, and for attending the meeting to answer Members' questions.

47. Local Enterprise Partnership (LEP) (Item B2)

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

1. Mr Gill introduced the report and explained that an interim board would be established in early December and would meet several times before April 2011. The role and operation of the LEP were not yet clear, and views and proposals were being sought from each area so its local LEP would be individually tailored. The aim was that each LEP would be run with minimal bureaucracy, although a core work programme document would probably be needed to set out the priorities for each new LEP. The Government has also launched a new Regional Growth Fund (RGF),

worth £1.4 billion over three years. This is significantly less than the funds previously available via the Regional Development Agencies and other Government bodies, and competition for funding will be high.

2. Mr Gill answered questions from Members, and points arising from Members' questions and comments were as follows:-

- a) the LEP board would potentially be very large, if other areas matched Kent's 14 representatives. The interim board would need to decide if it felt this size was right;
- b) bids to the RGF could be made by private concerns and private/public concerns (but not public sector-only);
- c) Medway Council had not formally signed up to the LEP, but the LEP catchment area did include the geographical areas of Medway and the Essex Unitary Authorities;
- d) the LEP would have to decide on its unique selling point, and this could be 'Gateway to England', emphasising its ports and transport infrastructure. The LEP area's growth potential is also highly significant, especially in Kent and Essex;
- e) District representation on the LEP board will be determined by the Kent Forum. It is envisaged that business representation on the interim board will be determined by the Business Advisory Board of the Kent Economic Board, although once established, the LEP board could develop a different mechanism for identifying its membership; and
- f) the political mix of the LEP's membership had not yet been decided.

3. RESOLVED that the information given in the report and in response to Members' questions be noted, with thanks.

48. Update on Major Projects

(Item B3)

1. Mr Smith and Mrs Bruton introduced the report and updated Members on changes which had emerged since writing the report, as follows:-

- a) the Ashford Station forecourt project was now under review and was unlikely to proceed in the near future;
- b) landscaping at the Dover Priory Station project was mostly complete, and the project was ready to hand to Network Rail to run;
- c) discussions were underway with project partners on possible uses of the Rendezvous/Winter Gardens site in Margate; and

- d) the 'No Use Empty' initiative had recently celebrated its 5th anniversary and had been commended nationally, having exceeded its targets. More District Councils were now on board.
2. Points highlighted by questions and comments were as follows:-
 - a) cross-Directorate work was always to be encouraged, and Members were assured that links would be made where appropriate; and
 - b) KCC still had links with Business Support Kent, a Community Interest Company, which had previously run Business Link Kent. Although the company had subsequently lost the Business Link contract, it had continued its other areas of work.
 3. The Cabinet Member, Mr Lynes, commented that the offshore wind power industry needed to appear welcoming to potential new trainees, and the KCC could influence the skills agenda in this very lucrative industry. Swale Skills Centre had commenced training a first intake of thirty young people in the specialist skills required.
 4. RESOLVED that the information given in the report and in response to Members' questions be noted, with thanks.

49. Financial Monitoring 2010/11 *(Item B4)*

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

1. Mr Shipton introduced the report and explained that the only change which had arisen since last reporting to the POSC was that two extra posts had become vacant.
2. RESOLVED that the information given in the report be noted, with thanks.

50. Budget 2011/12 and Medium Term Financial Plan 2011/12 to 2012/13 *(Item B5)*

1. Mr Shipton introduced the report and reminded Members that, as he had reported to the September meeting, the Local Authority Business Growth Incentive Scheme (LABGI) grant had been removed this year and the impact accommodated, so no reduction in income would yet be apparent.
2. RESOLVED that the information given in the report be noted, with thanks.

Members did not offer priorities for delivering the indicative cash limits as the picture of available funding was not yet clear enough for Members to be able to make an informed judgement.

51. Change to Keep Succeeding
(Item B6)

Mr J Hawkins, Transformation Project Manager, was in attendance for this item.

1. Mr Hawkins introduced the report and set out the process, explaining that consultation on the proposals would end on 1 December. Thereafter, the Group Managing Director would make a recommendation on the new structure to the County Council on 16 December. Mr Hawkins answered questions from Members, and the points highlighted by questions and comments were as follows:-

- a) in the current proposals, the delivery of regeneration projects had been placed within the Enterprise Directorate; and
- b) Members expressed a range of views about the value and timing of the restructuring exercise, and, on balance, the prevailing mood of the meeting was that this was the right thing to do and the right time to do it. Members commended the savings to be made.

2. The Cabinet Member, Mr Lynes, paid tribute to the commitment and passion of KCC Members and officers and said that KCC was a very good local authority.

3. Mr Hawkins responded to Members' comments by explaining that the aim of the restructuring was to start at the top to set out the framework of a smaller organisation, to better handle future change. He said that the savings would be around £800,000 initially, and, as each of the new Directorates shaped its services, there would be further savings. The existing Managing Directors had been fully involved in the design principles.

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

52. Update on Select Committee Work
(Item C1)

1. The Chairman and Mr K Smith referred to the Select Committee on the Student Journey and said that this would be a good example of cross-Directorate working, as the project would bring together Regeneration, Learning and Development and Communities.

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