

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

**Friday, 23rd March, 2012**

**10.00 am**

Darent Room, Sessions House,  
County Hall, Maidstone







## AGENDA

# REGENERATION AND ECONOMIC DEVELOPMENT POLICY OVERVIEW AND SCRUTINY COMMITTEE

Friday, 23rd March 2012 at 10.00 am  
Darent Room, Sessions House, County Hall,  
Maidstone

Ask for: **Christine Singh**  
Telephone **01622 694334**

*Tea/Coffee will be available 30 minutes before the meeting*

### Membership (12)

Conservative (11): Mr M C Dance (Chairman), Mr A R Chell, Mr N J Collor,  
Mr K A Ferrin, MBE, Mr P J Homewood, Mrs J P Law,  
Mr A Sandhu, MBE, Mr K Smith, Mr M V Snelling, Mrs E M Tweed  
and Mrs C J Waters

Liberal Democrat (1): Mr M B Robertson (Vice-Chairman)

### Webcasting Notice

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### UNRESTRICTED ITEMS

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

### Item No

#### A. COMMITTEE BUSINESS

- A1 Introduction/Webcasting
- A2 Substitutes
- A3 Declarations of Members' Interest relating to items on today's Agenda
- A4 Minutes of the meeting held on 19 January 2012 (Pages 1 - 22)

#### B. ITEMS FOR CONSIDERATION

- B1 Presentations:
  - Phillip Goodwin**, Chairman, Enterprising Opportunities CIC.
  - Stuart Gibbons**, Director, Rural Sector Solutions.

B2 Feedback report from RED POSC Rural visits (Pages 23 - 32)

It was agreed that Members should take this opportunity to discuss how the POSC had made a difference, what they felt were the priorities and their aspirations.

B3 Verbal Update on Thamesteel, Broadband etc

B4 Update on Strategic Projects (Pages 33 - 46)

B5 Financial Monitoring Report (Pages 47 - 52)

### **C. SELECT COMMITTEE WORK**

C1 Select Committee Work - Update (Pages 53 - 54)

### **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  
(01622) 694002

**Thursday, 15 March 2012**

*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

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### 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 Thursday, 19 January 2012.

PRESENT: Mr M C Dance (Chairman), Mr M B Robertson (Vice-Chairman), Mr A R Chell, Mr N J Collor, Mr K A Ferrin, MBE, Mr P J Homewood, Mrs J P Law, Mr M J Northey (Substitute for Mr K Smith), Mr A Sandhu, MBE, Mr M V Snelling and Mrs E M Tweed

ALSO PRESENT: Mr K G Lynes, Mr J A Kite, MBE, Mr M A Wickham, Mr V Lucas and Professor Gregory

IN ATTENDANCE: Ms B Cooper (Director of Economic Development), Mrs T Bruton (Head of Regeneration Projects), Mr P Crick (Director of Planning and Environment), Mr R Gill (Economic Policy and Strategy Manager), Ms J Hansen (Acting Finance Business Partner BSS), Mr Jarvis (Kent Downs and Marshes Leader Manager) and Mrs C A Singh (Democratic Services Officer)

#### UNRESTRICTED ITEMS

##### **105. Minutes of the meeting held on 16 November 2011**

*(Item A4)*

RESOLVED that the Minutes of the meeting held on 16 November are correctly recorded and that they be signed by the Chairman.

##### **106. Presentations: Professor Peter Gregory, Chief Executive, East Malling Research**

*(Item B1)*

*(Mrs E Harrison, Rural Regeneration Manager, was present for this item)*

1. The Chief Executive, East Malling Research, Professor Peter Gregory gave a presentation using overheads, see attached to these Minutes, which set out the changes and the current work at East Malling Research. The Research Centre would be celebrating 100 years in 2013.

2. The Members were given the opportunity to make comments and ask questions which included the following:

- In reply to a question, Professor Gregory advised that they did work with both primary and secondary schools in a limited way, although, more could be done with increased resources.
- In reply to a question, Professor Gregory said that he was pleased to see Food Security back on the national agenda although funding had

not followed the ideas. He considered that the Research Centre had to be placed in the best position for when opportunities arose. If the Centre had not continued to employ people until it had a contract it would have shrunk or closed like other Research facilities. The East Malling Research Trust, the Research Centre fund holder, understood this and had put the finance in place.

- In response to a question, Mrs Harrison advised that through Kent Rural plc KCC was looking to engage with schools on careers in horticulture. There had been great success for other sectors.
  - In reply to a question, Professor Gregory advised that the Research Centre was looking at the production of food in a range of areas but there was nothing specific on sandy soil. The Research Centre had a bid in place with a Middle Eastern country.
  - Professor Gregory advised that he was surprised by how little income was received from the European Union by the Research Centre. He expected this to be 10%. The focus of East Malling Research had been on survival. The Research Centre would be hosting continental colleagues from Spain, and working in China in February when five members of staff would be travelling to China to breed varieties of strawberries, as there was a rapidly growing market in yogurt.
3. RESOLVED that the Chairman and Members thanked Professor Gregory for attending the meeting and agreed to keep in contact.

### **107. Growth without Gridlock: Regional Growth Fund and Rail Links to Thanet** *(Item B2)*

*(Report by Mr B Sweetland, Cabinet Member, Environment, Highways & Waste and Mr P Crick, Director of Planning and Environment)*

*(Mr Vince Lucas, Service Director, Southeastern, was also present for this item)*

1. The Chairman welcomed the Service Director of Southeastern, Mr Lucas and Director of Planning and Environment, Mr Crick to the meeting. With the Chairman's permission Mr Crick advised that he had an announcement to make before he presented the report.

2. He advised Members that on 18 January the Government announced that it intended to consult on a Hub Airport in the Thames Estuary in March 2012. KCC's position on the Hub Airport, which came from the Aviation Consultation in 2011, was that KCC objected to the proposals for a Thames Estuary Hub Airport as it felt that this would cause irreversible and fundamental environmental damage and it believed that the existing airports in the South East such as Manston and Southend were assets that could be used far more, rather than providing a new environmentally damaging facility. With the maximising of High Speed one in the South East and the planned High Speed two, there was the potential to link to Heathrow, Gatwick and Birmingham to create a virtual hub airport in the South East and Midlands of England without the need to spend £50-70billion.

3. Although the Government's consultation on the Hub Airport in the Thames Estuary was not due until March 2012, Mr Crick invited Members to submit their views to him.

4. Members were given the opportunity to comment and ask questions that included the following:

- a) A Member disagreed with KCC's stance on this matter. People he had spoken to were generally keen about the creation of thousands of jobs this proposal would generate and that it would be an asset to the more difficult parts of East Kent. The Hub Airport would provide opportunities that Kent would get no other way and it would make a difference to the whole of East and North Kent. He proposed that KCC should seek to find out what the people of Kent's views were on the proposal.
- b) A Member advised that the Liberal Democrat Group was opposed to the Thames Estuary Hub Airport in principle. He understood that the Government's consultation was broader and considered Hub type Airports for the whole Country.
- c) A Member described views they had heard discussed on Kent Radio and concluded that views would differ depending on where you lived and agreed that there needed to be a wider debate.
- d) In response, Mr Crick advised that his Team would be coordinating KCC's response to the Government's consultation on the Hub Airport in the Thames Estuary in March 2012. He would be happy to receive any comments by Members in the meantime.

5. Further on, Mr Crick introduced the report highlighting the following:

- Kent was successful in securing £40 million Regional Growth Fund (RGF). £5 million would be used to support enhancements to line speed on the Ashford-Ramsgate rail route.
- There was the potential to take 10 minutes off the journey time from Ramsgate to St Pancras on the high speed line, this would reduce the journey time from Manston to Central London to 60 minutes .
- The construction of a Thanet Parkway Station was unsuccessful in the first round RGF bid in January 2011 as the Government considered that it would not create sufficiently large number of jobs in the three years of the fund. The business case remains strong with a Benefit Cost Ratio of 5:1. Work on developing the business case for a Thanet Parkway Station would continue.

6. The Chairman invited Mr Lucas to speak on the High Speed rail links. Mr Lucas said that he had been interested to hear the earlier debate on the Hub Airports as he was a Transport Business representative on Local Enterprise Partnership. He highlighted the following:

- Research showed that by reducing journey times and increasing speeds you will attract more passengers.
- Southeastern had been jointly working with Network Rail on a project to reduce the journey times from Ashford, Canterbury and Ramsgate.
- Southeastern had worked on the Rail Action Plan for Kent with Mr Crick and his Team.
- When the line speeds were in place, rigorous tests were made on the new infrastructure. Following those tests at the next convenient timetable date the journey times would be changed to reflect the enhanced speeds. This was carried out approximately 6 months after the line speeds were tested.

7. Members were invited to make comments and ask questions which included the following:

- a) In response to a question, Mr Lucas advised that to make a route faster for Hythe and Canterbury there would have to be fewer stops. It was mandatory that the trains called in at Meopham and Longfield as part of growing businesses there. The impact of those two stops added 6-10 minutes on the journey time.
- b) In reply to a question, Mr Lucas advised that Southeastern carried out research with Canterbury City Council looking at passenger numbers, growth etc. After looking at all of the stations in the area, Hythe Whitstable etc, there was a change in passenger patterns with an increase at Canterbury West, a reduction at Canterbury East, no change at Herne Bay ,at the time, and an increase at Whitstable. They produced detailed graphs of the regular and High Speed services. Overall the rail journeys from the Canterbury City area increased from 1.2 to 1.5 million journeys per annum after the introduction of High Speed. There had been a reduction in passengers using the Canterbury East to Victoria. The number of passengers travelling by train from Herne Bay was falling but had been falling long before the introduction of High Speed services, although, in the last year they had begun to increase. Mr Lucas considered that this may have been due to a change in the demographics of the people living in the area. He was happy to share this data with the POSC.
- c) Mr Crick responded to concerns regarding the safety of the level crossings between Ashford and Ramsgate, especially at Wye. He advised that the £5million of the Regional Growth Fund would be going towards improving those level crossings. At this time he was unable to say whether there would be enough money to build a bridge at Wye but it would be a priority to improve the crossing.

8. RESOLVED that the information in the report and given to Members be noted with thanks.

## **108. Feedback report from RED POSC Rural visits**

*(Item B3)*

*(Report by Mr K Lynes, Cabinet Member for Regeneration and Economic Development and Mr D Cockburn, Corporate Director of Business Strategy and Support)*

*(Mr H Jarvis, Kent Downs and Marshes Leader Manager, was present for this item)*

1. The Chairman invited Mr Jarvis to introduce the report. Mr Jarvis focused on the following:
  - a) The Kent Downs and Marshes (KDM) Leader was part of the Rural Development Programme for England (RDPE) funded by Defra and the EU. KDM Leader was awarded a total programme budget of £2.25 million in 2008 to support projects within a specific geographical area. Of this, £1.8 million was allocated to project costs, the remaining £450,000 being allocated to facilitation and administration of the programme. The total programme budget was reduced in the 2010 Comprehensive Spending Review down to £1,651,933
2. In response to a question by a Member, Mr Jarvis said that if Members knew of business people who may want help from the Kent Downs and Marshes Leader programme he and his Team would be happy to meet with them.
3. The Chairman advised that a further rural visit was being arranged for February.
4. RESOLVED that the information given in the report and to Members be noted with thanks.

## **109. The Future of SEEDA's Assets**

*(Item B4)*

*(Report by Mr K Lynes, Cabinet Member for Regeneration and Economic Development and Mr D Cockburn, Corporate Director of Business Strategy and Support)*

1. The Director of Economic Development, Ms Cooper, highlighted that as part of its role in unlocking difficult sites, SEEDA had acquired many sites in Kent and Medway. With SEEDA's demise, the sites had been transferred to the Homes and Communities Agency (HCA). The POSC considered a report that explained the process for transfer as well as how local authorities were involved in their development and disposal.
2. RESOLVED that the information in the report be noted, with thanks.

## **110. Thanet - Economic Growth and Development - update**

*(Item B5)*

*(Report by Mr K Lynes, Cabinet Member for Regeneration and Economic Development and Mr D Cockburn, Corporate Director of Business Strategy and Support)*

*(Mrs T Bruton, Head of Regeneration Projects, was present for this item)*

1. Members made comments and asked questions which included the following:-
  - *No Use Empty* – Other councils should take this information and focus on jobs and apprenticeships for local people. Mrs Bruton advised that the initiative had been particularly successful in Thanet. It was a countywide partnership not only creating jobs but better environments and positive partnerships which were looking to expand.
  - *Margate Housing Intervention programme* – A Member asked about a Judicial Review issue in relation to the scheme and Mrs Bruton undertook to provide an update on the situation via the Committee Clerk.
  - *Dreamland* - This was being compulsory purchased but what was going to happen long term following the owners proposal for a large plot of houses? Mrs Bruton confirmed that the announcement of grant funding would secure the listed buildings on the site and agreed to provide update to a future meeting once the outcome of the process was understood.
  - *Westwood Cross Shopping Centre* – Is KCC a consultee? Mrs Bruton advised that KCC was a consultee at the time of the planning application approval and, although contrary to the premise of out of town shopping centres, the overall benefits to the District were considered a priority in this instance.
  - A Member expressed an opinion that Westwood Cross Shopping Centre had played a large part in the local shops in the area losing business.
2. RESOLVED that the information given in the report and to Members be noted, with thanks.

## **111. Update on Strategic Projects**

*(Item B6)*

*(Report by Mr K Lynes, Cabinet Member, Regeneration and Economic Development and Mr D Cockburn, Corporate Director Business Strategy and Support)*

1. The Director of Economic Development, Ms Cooper introduced the report and set out the work being undertaken. She responded to comments and questions from Members. Points highlighted were as follows:

- a) A Member commented on the need for suitable hotel accommodation in Margate to support an increase in the number of visitors to Margate. Ms Cooper advised that the Rendezvous Site was a key project for the Economic Development Team. External consultants were appointed last year to look at this but the right circumstances were not in place yet. This was a long term proposition and had to be the right hotel. Visit Kent was also holding discussions locally. Ms Cooper concluded that the issue rests on timing.
  - b) A Member commented on the difficulty of some urban areas as well as rural that did not have Broadband and agreed to share Broadband mapping information he was due to receive with the POSC.
2. RESOLVED that the information set out in the report and given to Members be noted, with thanks.

## **112. Growing Places Fund and Regional Growth Fund** *(Item B7)*

*(Report by Mr K Lynes, Cabinet Member, Regeneration and Economic Development and Mr D Cockburn, Corporate Director Business Strategy and Support)*

*(Mr R Gill, Economic Policy & Strategy Manager was present for this item)*

1. The Economic Policy & Strategy Manager, Mr R Gill, introduced the report highlighting that Kent had been successful in securing £40 million Regional Growth Fund investment in the Expansion East Kent Programme, reflecting in particular the success of the work of the Sandwich Economic Development Task Force following the Pfizer exit announcement. £35 million would be used to provide grants and loans to businesses seeking to invest in projects that will create jobs in East Kent. The Business Grants were to be launched in March 2012 and there had already been 180 expressions of interest. KCC's Regeneration Fund had allocated up to £1.7 million over three years to support running costs, equating to approximately 4.25% of programme value. Mr Gill also commented on the Growing Places Fund.
2. Members were given the opportunity to make comments and ask questions. Points raised included:
  - In reply to a question, Mr Gill advised that it was not clear whether the majority of the funding would be for loans or grants. Work was being carried out on options of how the funding would be allocated to allow flexibility and to minimise bureaucracy.
3. RESOLVED that the information in the report and given to Members be noted, with thanks.

### **113. Financial Monitoring 2011/12**

*(Item B8)*

*(Report by Mr K Lynes, Cabinet Member, Regeneration and Economic Development and Mr D Cockburn, Corporate Director, Business Strategy and Support)*

1. The Acting Finance Business Partner, Ms Jackie Hansen, gave a brief introduction highlighting that the revenue and capital budgets were very healthy. The capital regeneration fund was considering various bids, the expenditure of which will now fall in to 2012/13, resulting in the need for re-phasing of -£4.2m and the outcome of the planning application for the re-development of the Hotel Lesley site to Thanet District council, was not expected until the end of March/early April. Expenditure will now fall in to 2012/13 and budget of -£1.0m has therefore been re-phased to 2012/13.

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

### **114. Budget 2012/13 and Medium Term Financial Plan 2012/15**

*(Item B9)*

*(Report by Mr K Lynes, Cabinet Member, Regeneration and Economic Development and Mr D Cockburn, Deputy Managing Director Corporate Director Business Strategy and Support)*

*(Ms J Hansen, Acting Finance Business Partner)*

1. Ms Hansen referred to the base budget adjustments advising that staff had moved from the Strategic Policy team in to the Economic Development Team as part of the restructure. Staff travel had increased by £3k to allow for the increase in the casual user rate. There had been a £10k price increase for contracts and an increase of £220k to the Cyclopark base revenue budget, of which £125k is the KCC grant to the project and the balance is to fund the net running costs. There was a saving of £300k, removing the Community Events Grant. Ms Cooper added that with a £2.2m reduction to the budget for growing the economy, her team did not have any resilience should another Pfizer happen. However, she understands that all units are facing similar challenges.

2. Members were given the opportunity to make comments and ask questions which included the following:

- In response to a question, Ms Hansen advised that the Cyclopark revenue payment was an on going contribution but as the project got underway we would be generating an income.
- Members welcomed Mrs Tweed's, Chairman of the Communities POSC, invitation to join the Communities POSC on a visit to the Cyclopark followed by a visit to the Sikh temple. Mrs Tweed agreed to forward the final details to Members.

3. RESOLVED that the Members comments and questions on the revenue and capital budget proposals and the report, be noted with thanks.

**115. Update on Select Committee Work**  
*(Item C1)*

*(Report by Mr P Sass, Head of Democratic Services)*

1. The Democratic Services Officer advised that the Select Committee for Renewable Energy had been reconvened to consider its recommendations one year on Members were given the opportunity to make comments. Points made included:
  - a) Mrs Tweed made a suggestion for a new Topic Review “Provision of Airports Regional and Hubs”, which Members of the POSC supported.
2. RESOLVED that the information in the report and the suggestion of a new Topic Review “Provision of Airports Regional and Hubs” be noted, with thanks.

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# east malling research

## Introduction to East Malling Research

*Professor Peter J. Gregory*



# What does EMR do?

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- Our mission is:
  - to conduct high-quality strategic and applied research in horticultural and environmental sciences, and to deliver knowledge, products and services that benefit public and private customers
- Our vision is:
  - to be recognised as the pre-eminent research institute in the UK for strategic and applied research, development and innovation in horticulture with particular emphasis on perennial and clonally propagated crops

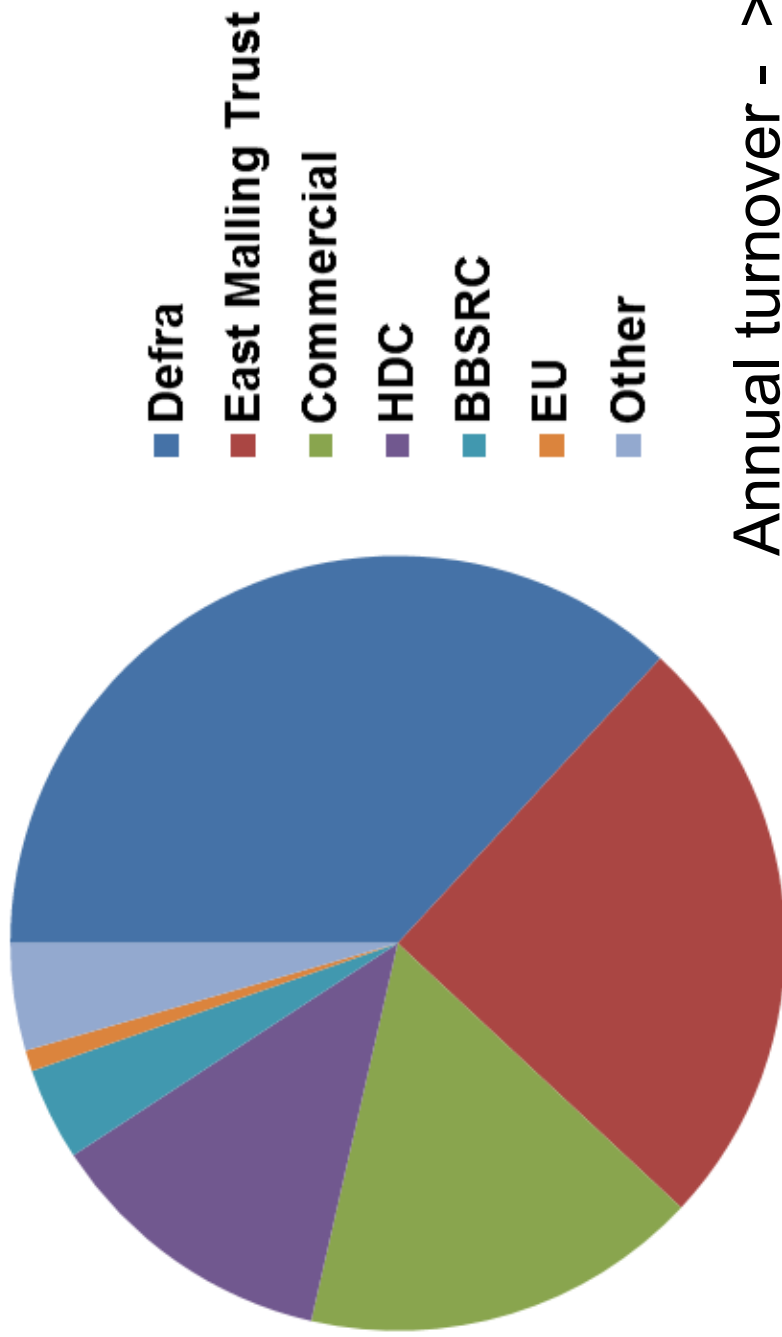
# Some facts and figures

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- EMR is part of the East Malling Group headed by the East Malling Trust
- We are a charity and company limited by guarantee
- We have about 45 staff and students
- Our research started in 1913 funded by subscriptions from forward-looking farmers
- At its height, East Malling had about 400 staff – second only to Rothamsted in the UK

# How are we funded?

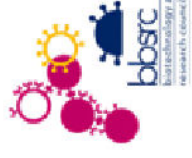
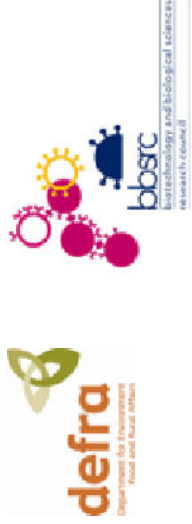


Annual turnover - > £3.9 M

# Who are our major customers?



- Public sector:



- Commercial:



# Our high level research themes

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- Diploid strawberry as a model for perennial crops
- Genetic basis of resistance and pathogenicity
- Enhancement of soils and substrates for improved function
- Pre- and post-harvest practices to enhance shelf-life and quality
- Improved scientific basis of rootstock improvement

# Research outcomes Programme GCI



## Genetics and Crop Improvement

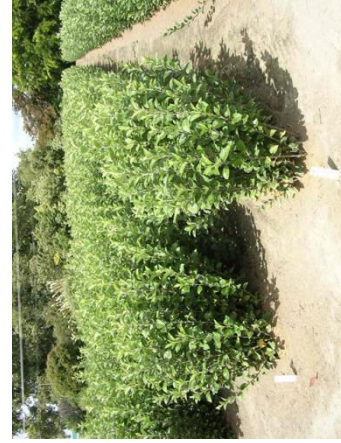
Strawberry  
Improvement



Molecular  
genetics  
of berry crops



Rootstock  
genetics



Commercial  
breeding  
programmes



# Research outcomes Programme PPESCM



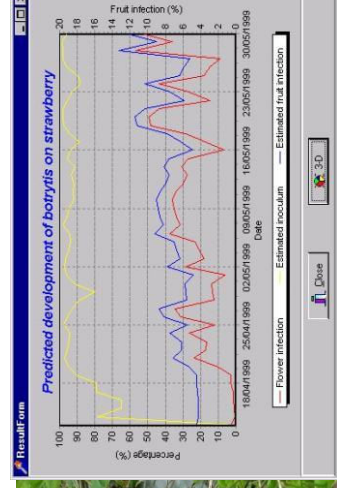
## Pest and pathogen ecology and sustainable crop management

Interactions among pests, pathogens and plants and control agents

Biodiversity and ecosystem services

Chemical ecology of pests and predators

Modelling population dynamics

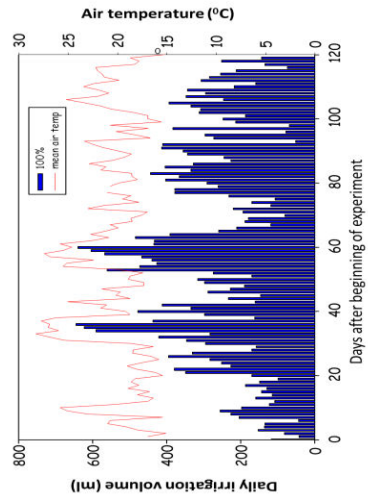


# Research outcomes Programme RECP

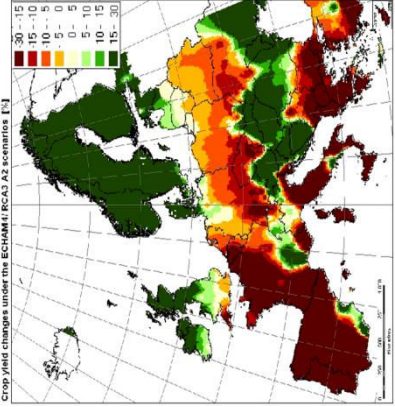


## Resource efficiency for crop production

Resource use efficiency



Environmental interactions



Below ground biotic interactions



## What are the major crops to which our research is applied?



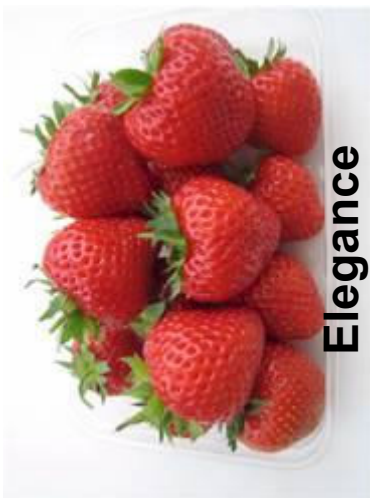
- Perennial fruits (apple, pear, cherry, plum, strawberry, raspberry, blackcurrant)
- Perennial trees and non-food products (agroforestry, biomass, plant factories, nursery stock)
- Other horticultural crops (mushrooms, field vegetables, potatoes, garden plants)



# Products



**Evapometer**



**Elegance**



**Valentina**



**EMH**



**Black Lace**



**Meridian**



**Best practice guides**



**Anniversary**

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

**David Cockburn**  
**Head of Paid Service and Corporate Director of Business**  
**Strategy and Support**

**To: Regeneration and Economic Development Policy Overview**  
**and Scrutiny Committee – 23 March 2012**

**Subject: Feedback report from REDPOSC Rural visits**

**Classification: Unrestricted**

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**Summary:**

The report provides an overview of the recent rural visits to projects, funded through the **Kent Downs and Marshes LEADER Programme** (*The Rural Development Programme for England (RDPE) is funded by Defra and the EU. The European Agricultural Fund for Rural Development (EAFRD): Europe investing in rural areas*), by REDPOSC and outlines the key issues identified.

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**1. Introduction**

- 1.1** At their meeting on 24<sup>th</sup> June, REDPOSC identified that ‘rural’ would be a priority focus for the forthcoming year. Following on from visits to rural projects in September, a visit was arranged to Kent Downs and Marshes Leader funded projects on 25<sup>th</sup> November. The tour was received well by Members and a second tour to other projects assisted by the Kent Downs and Marshes Leader Programme was arranged for 16<sup>th</sup> February 2012.
- 1.2** The purpose of this report is to provide an overview of this second visit, set out any issues raised and identify areas for possible future consideration.

**2. Visits to Projects**

- 2.1** Members were taken on the tour by Kent Downs and Marshes Leader (KDM) programme staff. Members were also accompanied by representatives of the KDM Local Area Group Executive.
- 2.2** The Kent Downs and Marshes Leader is part of the Rural Development Programme for England (RDPE) funded by Defra and the EU. KDM Leader was awarded a total programme budget of £2.25 million in 2008 to support projects within a specific geographical area. Of this, £1.8 million was allocated to project costs, the remaining £450,000 being allocated to facilitation and administration of the programme.
- 2.3** Total programme budget was reduced in the 2010 Comprehensive

Spending Review to £1,651,933. To date approximately £1,200,000 has been awarded to projects, of which approximately £895,000 is in capital grants to small and micro enterprises and community enhancement projects. The total cost of these capital projects is approximately £2,800,000 representing a leverage of 1:2. This investment has helped to create more than 26 FTE positions, whilst helping to sustain a further 150 jobs in the KDM Leader area. The programme will run until December 2013. Members visited the following projects supported by KDM Leader.

#### **2.4 Godinton House – Timber stackyard, Woodchip store and handling machinery for supplying biomass at Godinton.**

**The Business:** The Godinton House Estate is run as a single business, employing 5 FTE staff in forestry, horticulture and estate management for the purpose of conserving and improving the house, gardens and estate for public benefit and education. The business incorporates the long-term preservation of the Grade 1 listed house, gardens and park. The house and gardens are open to the public between Easter and October for which a small charge is made. Additional to this, the Estate maintains its traditional properties of farms, forest, houses and cottages, some rural workshops and a small office development heated by a biomass boiler.

**2.5 The Project:** The project involved the conversion of a redundant Dutch barn, on the estate, into a woodchip store by repairing the damaged roof and guttering, laying a hard floor and erecting retaining walls; allowing space for the storage of approximately 100 tonnes of woodchip. A hard track was also laid to the barn and storage area, and part of the paddock was surfaced with hardcore to provide all weather access, along with stacking areas for timber rounds and a clean area for chipping and handling. Funding was provided to help with ground and building works, the purchase of a timber trailer and crane, and a specialised tractor bucket for woodchip.

#### **2.6 Key findings:**

- The project has allowed the Estate's woodlands to be managed more effectively, bringing previously unmanaged woodland back into economic use. It is also helping the estate reduce its energy costs.
- The Estate employs local contractors to fell and chip the wood, this project helped secure regular business for these contractors. Overall 5FTE positions have been supported.
- There is the potential to create a facility or hub on the estate that can be extended to serve the growing demand for woodfuels, especially around the growing town of Ashford.
- The boilers, systems and processes in place are being utilised as an educational tool/best practice example of biomass heating, encouraging others to adopt this sustainable practice. By improving the efficiency and sustainability of the fuel supply, a complete system, from forest to heat, can be demonstrated.

## 2.7 Romney Marsh Wools:

**The Business:** Romney Marsh Wools is a farmer controlled business with two main strands to its operations. Initially a sheep farming business, the applicant has since diversified the income stream to include added-value revenue generated from the retailing of sheep wool products. The business farms a breeding flock of Romney and Merino sheep for both meat and wool production. Lambs are predominantly sold at Ashford livestock market whilst the wool is sheared on farm and then processed and sold as part of the 'Romney Marsh Wools' business.

At present the whole company employs two people equating to one full time equivalent. The applicant is 6<sup>th</sup> generation farmer of pedigree Romney sheep and has been doing so for approximately 6 or 7 years. Romney Marsh Wools (the wool side of the business) itself has been operating since 2007

**2.8 The Project:** The project involves the conversion of an existing agricultural building to provide the appropriate storage space for the applicant's wool crop, in a suitably controlled environment. Parallel to this the applicant is developing an existing website to enable on-line sales, a dedicated office space to support the administrative management of the business and also attend targeted, high-end fairs and shows to directly market the products. Assistance was given to help with building works, equipment, website development and marketing costs.

## 2.9 Key findings:

- This is a good existing farm diversification project that is looking to expand due to growing demand for its local products. The business makes good use of local produce that is manufactured into high quality finished articles.
- It is a well thought out project with realistic ambitions realised through a well presented business and marketing plan. It is an entrepreneurial venture that has the potential to grow and potentially create small scale employment in the future. The product is distinctive and has other good ancillary links with other aspects of the Romney Marsh.

## 2.10 Royal Military Canal – Recreation Access Project:

**The Project:** This involved working with KCC PROW team and Shepway DC to create a new 1 mile section of bridleway along the canal's northern bank between West Hythe Dam and Aldergate Bridge, offering safe off-road riding, cycling and walking facilities. The facilities provide a ½ day circular route along the canal and the lanes on the adjoining Romney Marsh. The route will form part of the Sustrans National Cycle Route 2. Seating and interpretation has been installed to inform visitors of the natural heritage and the historical sites of Lympne and Stutfall castles. The project also acts as a pedestrian access for Port Lympne Animal

Park. The project will also be used as a pilot for the creation of an all access day cycle ride along the entire length of the canal, linking Hythe and Rye with the villages of Warehorne, Oxney, Appledore, Ruckinge and Bilsington. Since opening in April 2011, the route has attracted over 40,000 visitors.

### **2.11 Key Findings:**

- The project represented a good example of using a significant historical feature as a cultural and recreational resource, providing direct benefit to Port Lympne Animal Park and other tourism operators, as well as providing a 'living classroom' resource for use by schools and other education/environmental groups.
- The project contributed directly to a number of regional, sub-regional and local plans and strategies around the themes of access, enjoyment and understanding; historic and cultural heritage; sustainability; health and well being; physical activity; education and environment; safety; rural prosperity; natural resources. The project brought into use an extra 20% of accessible bridleway alongside the canal

### **2.12 Waldron Chestnut Joinery.**

**The Business:** Nick Waldron is a sole trader who manufactures high end bespoke furniture and joinery for private and commercial customers. Currently all work is made to commission but the applicant is looking to expand into some batch production items. Casual labour is used from time to time and the business has now expanded enough to take on an apprentice.

**2.13 The Project:** This project involved the purchase of equipment to increase the use of locally sourced timber to increase profitability, diversify income streams, reduce environmental impact and expand the operation. The project will develop the use of chestnut for manufacturing external and internal joinery, with an initial focus on its use for window framing where its durability and look is an advantage. This will reduce the need/use of imported softwoods and provides an alternative for Oak. Assistance was provided to purchase a four sided planer moulder and dust extractor. The equipment has greatly improved the capacity of the business by significantly reducing the time taken to plane and mould sawn timber into a usable product, thus allowing the applicant to concentrate more effort and time in servicing increasing demand.

### **2.14 Key findings:**

- This is an innovative and entrepreneurial project that now has the opportunity to grow through the increased capacity provided by the new equipment. The business has good links with other wood supplying businesses in the area (many Leader supported) creating a local network making use of an abundant sustainable

resource for local construction/joinery. The business has already taken on an apprentice and there is the possibility of future employment creation.

- The project adds value to locally sourced timber and reduces the need to use imported softwoods. It also provides an alternative for more expensive Oak. Through this project the applicant is demonstrating an alternative use for less expensive and more abundant chestnut products which can act as an example to others.

## **2.15 Chilham Village Square - long term regeneration and environmental improvement project (community engagement phase).**

**The Business:** Chilham's Future Delivery Board (CFDB) is a non-profit making Company Limited by guarantee set up by Chilham Parish Council with the sole aim of delivering a regenerated community square within the village.

**2.16 The Project:** Grant support was provided for the engagement of an expert consultant in the field of urban design and community consultation. The consultant undertook a wide ranging community engagement exercise to reach a consensus on the best solution for rejuvenating the village square as a place to live, work and visit. The exercise resulted in the development of a technical brief, with buy-in from statutory stakeholders, which addresses the needs of the local community, bringing a broad spectrum of far reaching benefits. The brief can now be used as a basis to approach large scale funders, like HLF etc for help with implementation.

## **2.17 Key findings:**

- The information received and evidence provided suggested that the need to "do something" with the square has been previously well backed and supported. Leader provided the support required to take project to the next level; a community consultation process to agree a professionally designed scheme that would provide a blueprint/evidence base that could be submitted to other larger funding bodies to make the scheme a reality.
- If the project had not been funded, then the previous DEFRA study on potential usage of the square would not be taken any further. Leader funding has helped move the process forward.
- The long term benefits of this project to the local community in terms of social, economic and environmental outcomes provides an opportunity for the village to make use of the square's full potential in a sustainable way.

## **2.18 Wheelwright's Cottage.**

**The Business:** This is a new husband and wife partnership business with no history of trading. Both partners brought experience of general and

project management, facility and customer service from previous employment. However, neither partner had previous experience of running a tourism accommodation business of this kind.

**2.19 The Project:** Grant aid was provided to support the renovation and conversion of three small buildings, formally a Wheelwright's and Cartwright's sheds, into a single unit holiday cottage. Plans include the use of biomass and solar heating systems, rain water harvesting and a range of other systems aimed at providing a high level of energy efficiency and sustainability. The works were carried out to a high standard. Support was given for building and ground works, equipment, contaminated land survey and groundwater sampling.

**2.20 Key findings:**

- The project exhibits a commitment to sustainable tourism through its environmental practices and high quality finish. The project can be used as an example of best practice in sustainable tourism that can help drive up standards within the area. The applicant had fully researched the market and is addressing a demand in the county for self catering accommodation of this type. The project demonstrates the wider benefits of the project exhibiting good links with local suppliers (local materials and builders were used) by sourcing produce (welcome vegetable box etc) from local suppliers and promoting usage of local facilities.
- One FTE has been created and the project is achieving the AONB natural and built heritage objectives by bringing redundant buildings back into economic use.

### **3. Conclusions**

**3.1** The above tour provided a helpful insight into how Leader support is addressing some key issues in rural areas – small and micro business support and expansion, local employment creation, community integration, support and encouragement for local produce, and sustainable use and protection of the environment.

**3.2** Leader is continuing to support projects across the Kent Downs and Marshes area and will continue to do so until December 2013. There is close liaison with local authority partners to identify and develop projects that fit with local plans and strategies, and address some of the key issues affecting the countryside.

### **4. Recommendation**

**4.1** The committee is asked to note the report, discuss any issues that arise from the key findings and provide any suggestions for the future work of the Kent Downs and Marshes Leader Programme.

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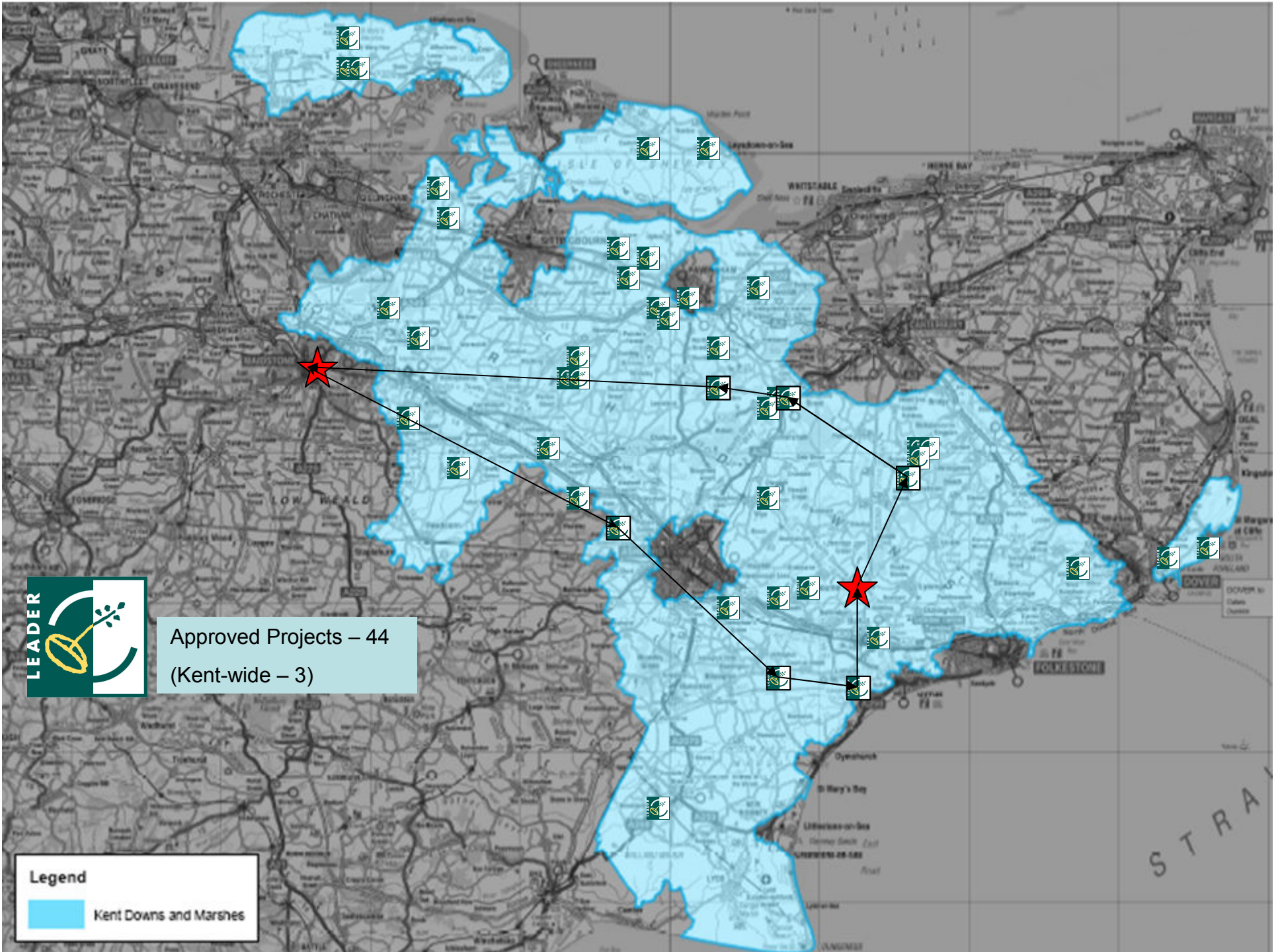
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**Background Documents:**

Map of Kent Downs and Marshes Leader area and identification of project supported.

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

David Cockburn  
Head of Paid Service and Corporate Director Business Strategy  
and Support

**To:** Regeneration and Economic Development Policy Overview and  
Scrutiny Committee - 23 March 2012

**Subject:** Update on Strategic Projects

**Classification:** Unrestricted

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**Summary:** This report provides Members with an update on the progress of key regeneration projects.

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## 1. Introduction

- 1.1** This report provides Members with an update on progress of major regeneration projects being delivered by Regeneration and Economy.
- 1.2** The tables that follow present progress against projects in Ashford, Kent Thameside, Dover, Thanet, Swale and for specific countywide initiatives such as Kent and Medway Infrastructure Model, Integrated Infrastructure Finance Model, Developers Guide, Broadband, Sector Conversations, Kent Forum Housing Strategy and No Use Empty.

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
<b>Ashford Growth Area</b>		<b>Lead Officer: Mike Bodkin - Contact 01622 221960</b>		
Ashford Growth Area	Delivery of the Ashford Programme to support sustainable 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"> <li>Chilmington Area Action Plan to be considered by ABC Executive in late March, triggering submission of planning application for mixed use community of around 6,000 homes. Programme of transport mitigation measures being negotiated with Development Consortium;</li> <li>Package of measures to support delivery of Cheeseman's Green urban extension in negotiation (Growing Places and Get Britain Building Funds);</li> <li>Preliminary study work to support review of Core Strategy underway.</li> </ul>	<ul style="list-style-type: none"> <li>Scoping opinion for A28 improvement scheme to be submitted to KCC Planning Applications Group;</li> <li>Due diligence on Cheeseman's Green funding bids by SELEP and HCA;</li> <li>Review of Ashford Core Strategy commences in spring 2012.</li> </ul>
<b>Kent Thameside</b>		<b>Lead Officer: Mike Bodkin - Contact 01622 221960</b>		
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"> <li>Further draft of KCC/DBC/GBC Partnership Agreement in progress.</li> <li>Extent of improvement package for Dartford town centre identified.</li> <li>Design of Rathmore Road Link progressing. Land and design issues have delayed submission of planning application. Land valuation carried out by GBC for Rathmore Road car park.</li> <li>Dartford BC working towards adoption of CIL regime. Results of Gravesham BC consultation on Core Strategy to be reported in March 2012.</li> <li>Initial review of Homes &amp; Roads Programme has identified potential reduction in cost of programme to £115-135m. Potential savings and alternative sources of funding discussed with partners.</li> </ul>	<ul style="list-style-type: none"> <li>KCC/DBC/GBC Partnership Agreement to be agreed and signed by parties.</li> <li>Dartford Town Centre package to be agreed with DBC.</li> <li>Detailed planning application to be submitted March/April 2012.</li> <li>Input to Dartford CIL. On-going work with Gravesham BC to define transport strategy.</li> <li>Agreement to be reached with partners on revised Homes &amp; Roads Programme.</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
				<ul style="list-style-type: none"> <li>• 2<sup>nd</sup> Annual Progress Report to be prepared to include review of Forward Delivery Programme.</li> <li>• Governance structure to be drafted and discussed with partners.</li> </ul>
Ebbsfleet Valley (including Eastern Quarry)	To deliver 11,000 homes and new community adjacent to Ebbsfleet station.	An estimated £100m worth of infrastructure secured by KCC and DBC to support the development of Eastern Quarry.	<ul style="list-style-type: none"> <li>• Positive initial discussion with Land Securities regarding the provision of a new primary school at Springhead Park.</li> <li>• Awaiting formal agreement by Land Securities to the proposed reconfiguration of the remaining S.106 terms for community infrastructure.</li> <li>• In principle agreement reached with Land Securities regarding their contribution to Homes &amp; Roads for development of Eastern Quarry.</li> <li>• Met with Grant Shapps (Minister for Housing &amp; Local Government) on 21<sup>st</sup> Feb to discuss way forward and continued Government commitment.</li> <li>• Eastern Quarry transport assessment progressing. Base Junction Models agreed. Meeting on 8<sup>th</sup> March to discuss forecast traffic assignments.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue dialogue with Land Securities regarding future provision of primary school at Springhead Park.</li> <li>• Agree Deed of Variation to S.106 Agreement with Land Securities on their contribution for the Homes &amp; Roads Programme arising from the EQ permission.</li> <li>• Seek to reach agreement with Government of further funding commitment to Homes &amp; Roads Programme.</li> <li>• On-going engagement with transport assessment work.</li> </ul>
<b>Dover</b>		<b>Lead Officer: Nigel Smith – Contact 01622 221867</b>		
Whitfield	Development of Whitfield of up to 5,700 new homes and associated community infrastructure.	Significant private sector investment in build out of site and the provision of infrastructure. KCC Officer time in R&E/KHS regarding	<ul style="list-style-type: none"> <li>• Dover DC (DDC) have recently provided the applicant, Phillip Jean Homes (PJH) with details of the outstanding issues that need to be agreed before the S.106 can be completed.</li> <li>• DDC are involved in a joint pilot with Ashford BC to develop a county wide consistent approach to CIL.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue negotiations with PJH and agree S.106 terms.</li> <li>• Continue to assist DDC with developing their approach to S.106 and CIL requirements in respect of Whitfield and other major developments within the DDC area.</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
		masterplanning and infrastructure provision.		
<b>Folkestone</b>		<b>Lead Officer: Theresa Trussell – Contact 01622 221362</b>		
HLF (Townscape Heritage Initiative) bid for £1.6m to enhance public realm and landmark buildings in Folkestone Old Town	Extending the creative and cultural offer of the Old Town to attract more tourists and visitors to Folkestone.	Total project cost £1.6m. KCC match funding £400k from Reg Fund (subject to approval). HLF grant of £1.2m Additional funding (in kind and capital) will be sought from Creative Foundation and Shepway District Council.	<ul style="list-style-type: none"> <li>HLF (THI) bid submitted in November 2011.</li> <li>Folkestone hosted Regional HLF project meeting and walk through on 13 February.</li> </ul>	<ul style="list-style-type: none"> <li>Await outcome of bid to be announced in May 2012.</li> </ul>
<b>Swale</b>		<b>Lead Officer: Mike Bodkin – Contact 01622 221960</b>		
Queenborough/ Rushenden Regeneration	Overall scheme to deliver 2000 new homes and related community/road infrastructure over 10 years.	Estimated cost of £26.4m of community infrastructure to be secured from S.106 CLG funding of £390k; KCC £15k to carry out environmental works.	<ul style="list-style-type: none"> <li>Rushenden Relief Road opened 24 November 2011.</li> <li>Landscaping underway.</li> <li>Following discussions with Swale BC (SBC) we have been advised that a reassessment of education and community infrastructure needs is premature.</li> <li>Planning application to raise levels for first phase of house building still with Swale BC</li> <li>Queenborough mound environmental and community scheme largely completed</li> <li>Commitment of HCA of £500k towards</li> </ul>	<ul style="list-style-type: none"> <li>Directional signs to be installed.</li> <li>Reassess education and community infrastructure needs when requested by SBC.</li> <li>Impact of potential flooding on areas not raised needs to be clarified.</li> <li>Commence marketing the phase 1 site to potential house builders.</li> <li>Ongoing work on Business plan and robust structure for taking new Gateway community/skills centre</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
			<p>replacement Gateway community/skills centre and some support to current operation.</p> <ul style="list-style-type: none"> <li>Useful tripartite discussions held between HCA (landowners), SBC and KCC regarding repayment of funding to KCC for completion of Rushenden Link Road.</li> </ul>	<p>forward.</p> <ul style="list-style-type: none"> <li>HCA as landowners to conduct revised viability assessment prior to marketing Phase 1 (Rushenden Square) later in 2012.</li> </ul>
Sittingbourne Northern Relief Road	Milton Creek Crossing. To join Eurolink and Kemsley Industrial Areas, relieving Town Centre.	Total cost £30.6m HCA £8m S106 £2.6 DfT £20m	<ul style="list-style-type: none"> <li>Road completed and opened on 15 December 2011.</li> <li>Landscape underway.</li> <li>Contractor completing remedial works to primary path.</li> </ul>	<ul style="list-style-type: none"> <li>Contractor will complete works to primary path after Church Wharf contract lorry movements completed.</li> <li>Scheme has one year maintenance period.</li> </ul>
	Bapchild Link. Completion of relief road from existing route to A2 at Bapchild route.	Total cost estimated between £15m to £45m, dependant on final route option selected,	<ul style="list-style-type: none"> <li>Following agreement in December at the JTB; Scheme to be included in Swale LDF Core Strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Liaison with Swale BC to bring scheme forward at an appropriate timescale in LDF Examination in Public process.</li> <li>Associated public consultation to flow from that process.</li> </ul>
Sittingbourne Southern Relief Road /M2 Junction 5	M2/Junction 5 Completion of Transportation Strategy for Sittingbourne, including solution to congestion / safety problems at M2 Junction 5.	Total Cost estimated between £120m to £150m. (Preliminary costs only at this stage).	<ul style="list-style-type: none"> <li>Progress report being taken to Swale JTB in March 2012.</li> </ul>	<ul style="list-style-type: none"> <li>Continued exploration of options with local partners.</li> </ul>
Sittingbourne Town Centre	Remodelling / regeneration of Town Centre Retail Core and local road network.	Costs being borne by developers (Tesco / Spenhill).	<ul style="list-style-type: none"> <li>Development Agreement between SBC and Spirit of Sittingbourne Consortium regarding regeneration of Sittingbourne town centre in process of negotiation.</li> </ul>	<ul style="list-style-type: none"> <li>KCC to consider potential to transfer land to SBC in return for construction by developers of new library and other community facilities.</li> <li>Completion of development</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
				agreement between SBC and Spirit of Sittingbourne.
<b>Thanet</b>		<b>Lead Officer: Theresa Bruton - Contact 01622 221947</b>		
East Kent Opportunities LLP	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"> <li>• Eurokent outline mixed use planning submission made on 31October 2011 and registered with the local planning authority on the 14 November.</li> <li>• Manston – Review and improvement of marketing and media material including Web site redesign and promotion in conjunction with Locate in Kent.</li> </ul>	<ul style="list-style-type: none"> <li>• Eurokent - Preliminary promotion of site sales opportunities and exploration of housing and other land use interests from prospective parties.</li> <li>• Negotiation of planning application and S106 provisions with Thanet DC as LPA and KCC (developer contributions).</li> <li>• Manston - All sales opportunities being pursued at Manston in difficult market conditions. Two current projects with good prospects.</li> <li>• 'Employ Thanet' Jobs Fair taking place in April 2012.</li> </ul>
<b>Margate</b>		<b>Lead Officer: Theresa Bruton - Contact 01622 221947</b>		
Rendezvous site development	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	Total cost will be determined by the eventual direction of the project.	<ul style="list-style-type: none"> <li>• Planning brief agreed by Thanet DC now available</li> <li>• Options for development on Rendezvous site explored with developers</li> <li>• Status of RNLI and Margate YC revisited – They have lease/licence to use part of site</li> <li>• Winter Gardens (WG)– exploring options for future use with TDC</li> <li>• Major video gaming event (GEEK) with workshops and training element held successfully at WG in Feb 2012 with KCC/TDC backing.</li> </ul>	<ul style="list-style-type: none"> <li>• Scope options for site (e.g. restaurant/small hotel).</li> <li>• Clarification of RNLI long term plans post 2017 when they hope to vacate the Rendezvous site and place lifeboat on beach.</li> <li>• Support to GEEK to enable it to become annual event in Margate showcasing and developing important video gaming industry.</li> <li>• Clarification of way forward for Winter Gardens with Thanet DC at Member and officer level.</li> <li>• Identify costs and options for</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
	transform the Grade 2 listed, Winter Gardens into a successful, modern operation.			potential HLF bid for Winter Gardens
Development on the Dreamland site	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"> <li>Public enquiry under way on Dreamland site as part of Thanet DC's plans to compulsorily purchase the site.</li> <li>Discussion with Thanet DC on respective roles of Dreamland cinema and Winter Gardens to ensure complementarily.</li> </ul>	<ul style="list-style-type: none"> <li>Assuming successful CPO of site by Thanet DC implementation of first phase of works to enable essential repairs to the cinema, restoration of the scenic railway and some landscaping of the park using HLF and TDC funding already secured.</li> </ul>
<b>No Use Empty</b>		<b>Lead Officer: Steve Grimshaw - Contact 01622 221906</b>		
No Use Empty (NUE)	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"> <li>NUE – will continue to 2016-17 following approval of spending plans agreed at Council. (Loan fund will operate with £5m being recycled).</li> <li>Bid submitted to HCA for £1M funding (Jan) to complement the NUE Affordable Homes Project which commence April 2012 (funding from Regeneration Fund approved Dec 2011).</li> <li>£5.5m loans awarded since start of Initiative, pulling in £11.2m leverage to date (Feb).</li> <li>£1.2M loans repaid (Feb) of which £400k repaid earlier than due dates.</li> <li>Further applications for loans with a value of £1m currently being considered / processed (Mar).</li> <li>2,031 units returned to date since start of the Initiative. (Dec).</li> </ul>	<ul style="list-style-type: none"> <li>Outcome of bid to HCA for funding to complement the NUE Affordable Homes Project due 23 March 12.</li> <li>Continue to process loan applications for main scheme.</li> <li>Further meetings with districts and property owners who have been identified as having suitable properties for inclusion in the NUE Affordable Homes project. (Dover, Shepway and Sevenoaks to date).</li> <li>Continue to explore potential to "franchise" NUE brand with legal services.</li> <li>Follow up work on recovery of loans in relation to revised payment plans.</li> <li>Review of procedures undertaken by Legal Services with a view to</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
			<ul style="list-style-type: none"> <li>• Annual Target to return 200 units has been exceed by 154 (354 achieved by Q3).</li> <li>• Approved first loan for Gravesham and Tonbridge &amp; Malling since joining Loan Fund.</li> <li>• NUE guest speaker at Annual Capita Conference London (Jan).</li> <li>• Presented Empty Homes to Shepway Locality Board (Jan).</li> <li>• Extensive coverage on BBC Britain's Empty Homes regarding empty property work in Thanet (Jan/Feb).</li> </ul>	<ul style="list-style-type: none"> <li>reducing legal fees.</li> <li>• Follow up work with Eden Council having expressed an interest in KCC administrating their loan fund (subject to their funding being agreed).</li> <li>• Further discussion on raising awareness through Publicity/PR for 2012-13.</li> <li>• Planning training for district officers</li> <li>• NUE invited to attend Shepway Empty Homes Sub Group following risk assessment of 400 empty units.</li> </ul>
<b>Kent Forum Housing Strategy</b>		<b>Lead Officer: Brian Horton - Contact 01622 221947</b>		
Kent Forum Housing Strategy	To develop and implement an integrated Housing Strategy for Kent and Medway.	£255k (rev) funding from the KCC Regeneration Fund. £200K (capital)	<ul style="list-style-type: none"> <li>• The first draft of the refreshed Housing Strategy has been shared with Kent Joint Chief Executives in January 2012 and the Kent Forum in February 2012, and work is progressing on the consultation version of the document to be considered by the Kent Joint Chief Executives and Kent Form at the March cycle of meetings.</li> <li>• New content on the key strategic housing issues facing Kent has been developed, including positions on the Localism Act, Regulatory Reform, Benefit Reform, Affordable Rent and the Right to Buy.</li> <li>• KCC sites have been identified for a pilot project between KCC and a major constructor to develop new private sector and affordable housing using significant institutional investment. We have also started discussions with relevant Districts on housing and planning considerations.</li> <li>• KCC have confirmed an initial £12m</li> </ul>	<ul style="list-style-type: none"> <li>• Circulation of the consultation draft of the refreshed Housing Strategy in April with endorsement of the Forum.</li> <li>• Review and redraft Strategy to reflect consultation responses and finalise for publication with endorsement of the Forum.</li> <li>• Launch the refreshed Housing Strategy at the KHG Event in September/October.</li> <li>• To finalise delivery of the work streams in the Implementation Plan.</li> <li>• To develop and include in the final draft a new Implementation Plan for the refreshed Housing Strategy.</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
			<p>commitment to a Kent-wide Local Authority Mortgage Scheme to help first time buyers access the mortgage market. An agreement is being developed with Kent Districts to launch the scheme early in the new financial year.</p> <ul style="list-style-type: none"> <li>• KPOG are reviewing feedback from with the Kent Developers Group, Kent Housing Group and HCA on the development of Housing and Planning Futures, the new methodology to help District and Boroughs to determine their future dwelling numbers. This is fully reflected in the refresh of the Housing Strategy.</li> </ul>	
<b>Sector Conversations</b>		<b>Lead Officer: David Hughes 01622 221947</b>		
Sector Conversations	<p>Expanded network of business contacts with key business sectors – target no of new business contacts 800</p> <p>Identify key actions that will stimulate business growth</p> <p>Task &amp; Finish activities to address issues that will make a tangible difference to business growth</p>	<p>Total project cost £12K – 1.5K per event.</p> <p>Partner contributions in kind – include subsidised venues, business champions time and speakers free of charge</p>	<ul style="list-style-type: none"> <li>• Creative, Media and Communications Sector event held at Maidstone Studios on 29 February was attended by other 200 business representatives</li> <li>• Two sub groups set up through Business Advisory Board focusing on finance for SMEs (group includes bank reps) and on trade development.</li> </ul>	<ul style="list-style-type: none"> <li>• Draw up new programme of sector and thematic conversations with business community</li> <li>• Present action plans from sub groups to Business Advisory Board.</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
<b>Kent and Medway Investment Fund</b>				
Kent and Medway Investment Fund	Revolving Fund to provide investment for regeneration	Phase 2: Development £650k – contributions from Medway & Districts subject to further discussion. KCC contribution up to £500k, subject to Regen Fund bid.	<ul style="list-style-type: none"> <li>Phase 2 contributions secured from Maidstone, Ashford, Tunbridge Wells, Canterbury and Maidstone</li> </ul>	<ul style="list-style-type: none"> <li>First KMIF project meeting scheduled for mid April to agree project governance and work programme going forward.</li> </ul>
<b>Pfizer/East Kent Recovery Package</b>				
Pfizer/East Kent Recovery Package	Following the announcement that Pfizer will exit the Sandwich site by the end of 2012, this project focuses on: <ul style="list-style-type: none"> <li>a) Establishing new options for the future of the Sandwich site;</li> <li>b) Supporting staff, contractors and suppliers affected by closure; and</li> </ul>	Sandwich Task Force, East Kent Leaders and CE's, Business and HE.	<ul style="list-style-type: none"> <li>Final meeting of Task Force took place on 20 February. Final report in preparation for "One Year On" launch event on 6 March</li> <li>Pfizer currently in exclusive negotiations with London &amp; Metropolitan for the sale of the site.</li> <li>Around 850 jobs now secure on site.</li> <li>Enterprise Zone designation secured, giving a business rate discount for new occupiers and simplified planning procedures. Local Development Order currently being prepared by Dover District Council.</li> <li>Grant agreement received from BIS for Regional Growth Fund, and due diligence underway</li> <li>Funding package secured to deliver 1 in 200 flood risk protection for Sandwich site.</li> <li>Accelerator Grant programme launched for</li> </ul>	<p><u>Discovery Park site</u></p> <ul style="list-style-type: none"> <li>Transfer of site to new owner (timetable not yet confirmed)</li> </ul> <p><u>Regional Growth Fund</u></p> <ul style="list-style-type: none"> <li>Governance arrangements developed (report to Cabinet in April).</li> <li>Launch for applications (April).</li> </ul> <p><u>Enterprise Zone</u></p> <ul style="list-style-type: none"> <li>Continued site marketing associated with EZ incentives.</li> <li>Board established (Mar/ April)</li> <li>Certificate of Lawful Development in place (April), followed by Local Development Order.</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
	c) Developing the broader economic strategy for East Kent.		<p>new start-up businesses, offering grants of up to £20k - first approvals in February</p> <ul style="list-style-type: none"> <li>• Support package for business on Sandwich site assembled with High Growth Kent Team.</li> </ul>	
<b>Thamesteel Task Force</b>		<b>Lead Officer: Ross Gill – Contact 01622 221312</b>		
Thamesteel Task Force	To coordinate actions in support of the staff and community affected by the collapse of Thamesteel and to consider opportunities for economic recovery in Sheerness	Current KCC commitment: £110k to support Higher National Certificate students; minor costs in support of job brokerage	<ul style="list-style-type: none"> <li>• Thamesteel Task Force established in February following collapse of Thamesteel into administration</li> <li>• Single point of contact for staff established at Sheerness Gateway</li> <li>• Availability of skilled staff advertised widely and short-term job brokerage service in place</li> <li>• Full economic impact study commissioned and underway</li> <li>• Charitable contributions to hardship support received via Kent Community Foundation</li> <li>• KCC wage subsidy offered to enable Higher National Certificate students employed at Thamesteel to remain in employment.</li> </ul>	<ul style="list-style-type: none"> <li>• First Task Force report to be published (March)</li> <li>• Options for future investment in Sheerness (including potential application to Coastal Communities Fund) to be considered.</li> </ul>
<b>Rural Superfast Broadband Project</b>		<b>Lead Officer: Elizabeth Harrison – Contact 01622 694835</b>		
Unlocking Kent's Potential: Rural Superfast Broadband Project	To pilot innovative solutions to providing high speed access in areas of market failure for next generation broadband access.	£1.6m funding from KCC Regeneration Fund and £10 million funding from KCC Capital programme	<ul style="list-style-type: none"> <li>• Kent and Medway Local Broadband Plan approved by the Secretary of State in January</li> <li>• 'Make Kent Quicker' campaign launched to provide critical evidence of the demand for better broadband from Kent's residents and businesses.</li> </ul>	<ul style="list-style-type: none"> <li>• Working closely with BDUK to clarify and confirm delivery timescales.</li> <li>• Preparing 'data room' for BDUK procurement.</li> <li>• Working with rural partners and district councils to promote the "Make Kent Quicker" campaign.</li> <li>• Undertaking a supplier consultation as part of the Kent and Medway State Aid submission.</li> </ul>

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
<b>Developers Guide</b>		<b>Lead Officer: Nigel Smith – Contact 01622 221867</b>		
Developers Guide	A revision of the current Guide to reflect new innovative service delivery methods for ELS, C&C and FSC and KCC's approach delivering services in the current economic climate. The Guide will be informed by the IIFM above.	£25k for public consultation	<ul style="list-style-type: none"> <li>Formal consultation on Developer's Guide commenced 1 February 2012.</li> </ul>	<ul style="list-style-type: none"> <li>Consider appropriate amendments following public consultation and adoption by KCC.</li> </ul>

## **2. Recommendation:**

**2.1** Members are asked to note progress against each of the projects.

### **Lead Contact Officer:**

Director of Economic Development  
Barbara Cooper

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Tel: 01622 221856

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**TO: Regeneration and Economic Development Policy Overview & Scrutiny Committee – 23 March 2012**

**BY: Kevin Lynes, Cabinet Member for Regeneration and Economic Development  
David Cockburn, Corporate Director, Business Strategy and Support**

**SUBJECT: Financial Monitoring 2011/12**

**Classification: Unrestricted**

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**Summary:**

Members of the POSC are asked to note the third quarter's budget monitoring report for 2011/12 as reported to Cabinet on 19<sup>th</sup> March 2012.

**FOR INFORMATION**

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**1. Introduction**

1.1 This is a regular report to this Committee on the forecast outturn for the Regeneration portfolio within Business Strategy & Support Directorate budget.

**2. Forecast Outturn**

2.1 A detailed quarterly budget monitoring report is presented to Cabinet, usually in September, December and March, and a draft final outturn report in June. These reports outline the full financial position for each portfolio and are reported to POSCs after they have been considered by Cabinet. In the intervening months an exception report is made to Cabinet outlining any significant variations from the quarterly report.

2.2 The third quarter's monitoring report for 2011/12 was presented to Cabinet on 19<sup>th</sup> March 2012. An extract from the annex for the Business Strategy & Support Directorate pertaining to this portfolio is attached as annex 1.

**2.3 Capital**

2.3.1 The capital forecast for Quarter 3 showed an underspend of -£1.239m for 2011/12 due primarily to the need to make re-phasing to future years, most significantly on:

- Rural Broadband re-phasing of -£1.064m reflecting the need to align and add this programme on to the delivery of the Kent and Medway Broadband UK (BDUK) (£10m) programme.

### **3 Recommendations**

- 3.1 Members of the POSC are asked to note:  
the projected outturn for this portfolio for 2011/12 based on the third quarter's monitoring report to Cabinet.

#### Background Documents:

- 1) Cabinet 19<sup>th</sup> March 2012 – Revenue and Capital Budgets, Key Activity and Risk Monitoring

#### Officer Contact:

Jackie Hansen  
Finance Business Partner  
(Business Strategy & Support)  
Ext. 4054

## BUSINESS STRATEGY & SUPPORT DIRECTORATE SUMMARY JANUARY 2011-12 FULL MONITORING REPORT

### 1. FINANCE

#### 1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect a number of technical adjustments to budget.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 1 of the executive summary.

1.1.2 **Table 1** below details the revenue position by A-Z budget line:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
<b>Regeneration &amp; Enterprise portfolio</b>							
Directorate Management & Support	419		419	0	0	0	
Development Staff & Projects	4,421	-275	4,146	0	0	0	
<b>Total R&amp;E portfolio</b>	<b>4,840</b>	<b>-275</b>	<b>4,565</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Assumed Management Action:</b>							
- R&E portfolio							
<b>Forecast after Mgmt Action</b>	<b>4,840</b>	<b>-275</b>	<b>4,565</b>	<b>0</b>	<b>0</b>	<b>0</b>	

#### 1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.

The capital cash limits have been adjusted to reflect the position in the 2012-15 MTFP as agreed by County Council on 9 February 2012.

1.2.2 **Table 3** below provides a portfolio overview of the latest capital monitoring position excluding PFI projects.

	Prev Yrs Exp	2011-12	2012-13	2013-14	Future Yrs	TOTAL
	£m	£m	£m	£m	£m	£m
<b>Regeneration &amp; Enterprise</b>						
Budget	17.224	4.856	42.170	36.000	28.000	128.250
Adjustments:						0.000
						0.000
Revised Budget	17.224	4.856	42.170	36.000	28.000	128.250
Variance		-1.239	1.239	0.000	0.000	0.000
<b>split:</b>						
- real variance						0.000
- re-phasing		-1.239	1.239			0.000
<b>Directorate Total</b>						
Revised Budget	17.224	4.856	42.170	36.000	28.000	128.250
Variance	0.000	-1.239	1.239	0.000	0.000	0.000
<b>Real Variance</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Re-phasing</b>	<b>0.000</b>	<b>-1.239</b>	<b>1.239</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

### 1.2.3 Main Reasons for Variance

Table 4 below, details all forecast capital variances over £250k in 2011-12 and identifies these between projects which are:

- part of our year on year rolling programmes e.g. maintenance and modernisation;
- projects which have received approval to spend and are underway;
- projects which are only at the approval to plan stage and
- Projects at preliminary stage.

The variances are also identified as being either a real variance i.e. real under or overspending which has resourcing implications, or a phasing issue i.e. simply down to a difference in timing compared to the budget assumption.

Each of the variances in excess of £1m which is due to phasing of the project, excluding those projects identified as only being at the preliminary stage, is explained further in section 1.2.4 below.

All real variances are explained in section 1.2.5, together with the resourcing implications.

**Table 4: CAPITAL VARIANCES OVER £250K IN SIZE ORDER**

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
<b>Overspends/Projects ahead of schedule</b>						
			<b>+0.000</b>	<b>+0.000</b>	<b>+0.000</b>	<b>+0.000</b>
<b>Underspends/Projects behind schedule</b>						
Regen	Rural Broadband	phasing		-1.064		
			<b>-0.000</b>	<b>-1.064</b>	<b>-0.000</b>	<b>-0.000</b>
			<b>+0.000</b>	<b>-1.064</b>	<b>+0.000</b>	<b>+0.000</b>

#### 1.2.4 Projects re-phasing by over £1m:

##### 1.2.4.3 Rural Broadband re-phasing of -£1.064m (in 2011-12)

The re-phasing reflects the agreed need to align this programme with delivery of the Kent & Medway Broadband UK (BDUK) programme.

Revised phasing of the scheme is now as follows:

	Prior Years	2011-12	2012-13	2013-14	future years	Total
	£m	£m	£m	£m	£m	£m
<b>BUDGET &amp; FORECAST</b>						
Budget		1.064	0.520			1.584
Forecast			1.584			1.584
Variance	0.000	-1.064	1.064	0.000	0.000	0.000
<b>FUNDING</b>						
<b>Budget:</b>						
prudential		0.080	0.520		0.000	0.600
Capital receipt		0.984				0.984
TOTAL	0.000	1.064	0.520	0.000	0.000	1.584
<b>Forecast:</b>						
prudential			0.600			0.600
Capital receipt			0.984			0.984
TOTAL	0.000	0.000	1.584	0.000	0.000	1.584
<b>Variance</b>	<b>0.000</b>	<b>-1.064</b>	<b>1.064</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

#### 1.2.5 Projects with real variances, including resourcing implications:

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#### 1.2.6 General Overview of capital programme:

(a) Risks

N/A

(b) Details of action being taken to alleviate risks

N/A

## 1.2.7 Project Re-phasing

Cash limits are changed for projects that have re-phased by greater than £0.100m to reduce the reporting requirements during the year. Any subsequent re-phasing greater than £0.100m will be reported and the full extent of the re-phasing will be shown. The possible re-phasing is detailed in the table below.

	2011-12	2012-13	2013-14	Future Years	Total
	£m	£m	£m	£m	£m
<b>Rural Broadband (Regen)</b>					
Amended total cash limits	1.064	0.520	0.000	0.000	1.584
re-phasing	-1.064	1.064	0.000	0.000	0.000
<b>Revised project phasing</b>	<b>0.000</b>	<b>1.584</b>	<b>0.000</b>	<b>0.000</b>	<b>1.584</b>
<b>Swale Parklands (Regen)</b>					
Amended total cash limits	0.534	0.000	0.000	0.000	0.534
re-phasing	-0.175	0.175	0.000	0.000	0.000
<b>Revised project phasing</b>	<b>0.359</b>	<b>0.175</b>	<b>0.000</b>	<b>0.000</b>	<b>0.534</b>
<b>Total re-phasing &gt;£100k</b>	<b>-1.239</b>	<b>1.239</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL RE-PHASING</b>	<b>-1.239</b>	<b>1.239</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

By: Peter Sass, Head of Democratic Services

To: Regeneration and Economic Development Policy Overview and Scrutiny Committee - 23 March 2012

Subject: **SELECT COMMITTEE - UPDATE**

Classification: Unrestricted

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Summary: This report updates the Committee on the current Select Committee topic review programme and to invite suggestions for future Select Committee topic reviews.

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### Select Committee Topic Review Work Programme

1. (1) There are currently no Select Committee topic reviews in the work programme which fall under the remit of this Policy Overview and Scrutiny Committee. The Select Committee topic review work programme consists of the following:-

- **Educational Attainment at Key Stage 2**– Chaired by Mr C Wells – The Committee has completed its evidence gathering sessions which included visiting a number of schools in October/November 2011. The Committee has agreed their draft report which is being shared with Mr Whiting, Cabinet Member, Education, Learning and Skills (ELS) and Mr Leeson, Corporate Director ELS, on 2 April 2012 prior to submission to Cabinet in May 2012 and County Council in July 2012.
- **The Student Journey** – Chaired by Mr K Smith – The Committee has completed its evidence gathering sessions with key stakeholders including representatives from business and education, and from young people. The Committee has agreed their draft report which is being shared with relevant Cabinet Members and Corporate Directors on 27 March prior to submission to Cabinet and to County Council in May 2012.
- **Domestic Abuse** – Chaired by Mr J Kirby – The Committee held its inaugural meeting on 23 February 2012 and is due to hold visits and evidence gathering sessions in May/June/July. The report will be submitted to Cabinet and County Council in December 2012.

### Suggestions for Select Committee topic reviews

2. (1) Following the RED POSC meeting held on 19 January, when the Committee supported Mrs Tweed's proposal for a Select Committee on Airports, Mrs Tweed has agreed with Mr Sweetland, Cabinet Member, Environment, Highways and Waste, to postpone submitting this topic review pending an Informal Members' Briefing on this subject.

(2) There will be resources available to start two new Select Committee reviews in May 2012. If Members have any topics that they would like to put forward for consideration for inclusion in the future topic review programme, they should contact the Democratic Services Officer for this Committee.

3. **Recommendation** Members are asked to note the Select Committee topic review update and to advise the Democratic Services Officer of any topics that they would like to suggest for inclusion in the Select Committee topic review programme.

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Background Information: *Nil*

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