

GROWTH ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE

MINUTES of a meeting of the Growth Economic Development and Communities Cabinet Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Tuesday, 8 July 2014.

PRESENT: Mr M A Wickham (Chairman), Mr S Holden (Vice-Chairman), Mr M Baldock, Mr M A C Balfour, Miss S J Carey, Mr B E Clark, Mr J A Kite, MBE, Mr G Lymer, Mr F McKenna, Mrs E D Rowbotham, Mr C Simkins and Mr R Truelove

ALSO PRESENT: Mr M C Dance and Mr P M Hill, OBE

IN ATTENDANCE: Ms B Cooper (Corporate Director Growth, Environment and Transport), Mr R Gill (Economic Policy and Strategy Manager), Mr P Crick (Director Environment, Planning & Enforcement), Mr S Beaumont (Head of Community Safety and Emergency Planning), Mrs J Doherty (Business Transformation and Programme Manager), Mr R Fitzgerald (Performance Manager), Ms J Ward (Senior Partnership Officer) and Ms C A Singh (Democratic Services Officer)

UNRESTRICTED ITEMS

16. Membership
(Item A2)

RESOLVED that the Growth, Economic Development and Communities Cabinet Committee noted that Mr M Baldock has replaced Mr R Latchford on this Cabinet Committee.

17. Apologies and Substitutes
(Item A3)

Apologies were received from Mr Bowles.

18. Declarations of Interest by Members in items on the Agenda
(Item A4)

1. Mr Balfour made a declaration regarding Item B2 as he is a Trustee of Alms Houses in the area.

2. Mr Wickham made a declaration regarding Item B1 advising that he was a Member of the Big Society Panel.

19. Minutes of the meeting held on 15 April 2014
(Item A5)

RESOLVED that the Minutes of the meeting held on 15 April 2014 were correctly recorded and that they be signed by the Chairman.

20. Verbal Updates
(Item A6)

1. The Cabinet Members, Mr Dance and Mr Hill, gave their verbal updates and highlighted the following:

Mr Dance, Cabinet Member for Economic Development - Aviation

2. Mr Dance advised that the publication of the Airports Commission, also known as the Davies Commission, final recommendations regarding the additional airport capacity in the UK were still awaited.

3. Mr Dance reflected on the news of the closure of Manston Airport. He advised that the decision regarding Manston Airport lay with private professionals and not with the local authority, however, when discussions take place the local authority would wish to be included. Mr Dance advised that Thanet District Council, as the planning authority, was looking into a compulsory purchase order (CPO) for Manston Airport. The District Council had appointed external consultants to conduct a Viability Study of Manston Airport. The Study was expected to be completed by the end of July 2014. Thanet District Council would then use that study to decide how to proceed.

Lydd

4. Mr Dance advised that the owner of Lydd Airport had ambitions to extend the runway. The owner was also looking to extend the business to supply executive jets and possibly helicopters service flying from Lydd Airport to Battersea and the City Airport, London.

Ebbsfleet and Paramount Park

5. Mr Dance shared the good news that Land securities had paid £356 million for a 30% stake in Bluewater Shopping Centre. Also a public consultation on Paramount Park would take place at a local level to seeking views on the scheme. Mr Dance considered that the two projects link well and would create many homes and 27,000 jobs and would see a step change in the infrastructure in the area. Mr Dance advised that for Paramount Park to be feasible 40% of the public would be travelling by public transport which would require more high speed train travel across the county.

Mr Hill, Cabinet Member for Community Services- Arts/Sport

6. Mr Hill highlighted that the Arts Council had published its list of funding to national portfolio holders on 1 July 2014. He considered that the results for Kent were generally good; one new addition to the portfolio was The Gulbenkian Theatre, Canterbury but two were dropped from the list; the Stour Valley Arts and the Propeller Theatre Company. The funding for Turner Contemporary remained the same and Jasmin Vardimon, Ashford, received an uplift in their revenue funding as well as a £3 million capital funding grant.

7. Turner Contemporary continued to do very well, exceeding targets. Mr Hill advised that he had sent a letter to all Members of the County Council advising them of the Piet Mondrian exhibition and encouraged Members to visit the exhibition that had received complimentary reviews nationally and internationally.

The Queen Baton Relay

8. Kent had pleasure at being one of the six counties to be selected to be part of the baton exchange. The Baton arrived in Tonbridge and ended in Maidstone at County Hall at an evening presentation, which was attended by Helen Grant the Minister of Sport and Dame Kelly Holmes.

The Kent School Games

9. The Fourth Year of Kent School Games was held on 25 June and was going from strength to strength with 35,000 school children participating. The Sports Minister was in attendance. This event was recognised nationally as an important national and county event.

10. Mr Hill advised that both the Arts and Sports events raised the profile of the County Council both nationally and in the County.

11. Mr Dance and Mr Hill responded to comments and questions by Members which included the following:

- a) A comment was made that Paramount Park would be an enormous opportunity for Kent accompanied by the plans for Ebbsfleet.
- b) In response to a question, Mr Hill advised that over the years support had been given to the County Cricket Team through funding contributions to the Cricket Academy.
- c) A Member recalled that the highspeed service on the North Kent line meant a reduction in services elsewhere.
- d) A comment was made that there were many military airports available to accommodate the resilience of airports.

12. RESOLVED that the information in the verbal updates be noted with thanks.

21. Kent Big Society Fund: Annual Report to Kent County Council from the Kent Community Foundation

(Item B1)

(Report by Mr Hill, Cabinet Member for Community Services and Mr M Austerberry, Corporate Director of Growth, Environment and Transport)

(Mrs J Doherty Programme Manager and Mr A Garrett, Fund Manager for Kent Community Foundation were present for this item)

1. The Cabinet Member for Community Services, Mr Hill, advised the Cabinet Committee why the County Council set up the Big Society Fund. Its aim was to address a gap in the market for social enterprises and entrepreneurs unable to access funding. By helping such people employment could be created across the County.

2. Mrs Doherty advised that this was the second annual report to the County Council by the Kent Community Foundation that manages this fund on the County Council's behalf. The fund was a response to a specific identified need within the market of financial products and within the former Bold Steps document.

3. Mr Hill, Mrs Doherty and Mr Garrett responded to comments and questions by Members which included the following:

- a) A comment was made that how the report was presented made it difficult to see what had been achieved in the year. Mrs Doherty explained that this was a cumulative report and the difficulty was the funding year was out of sync with the Council's financial year. Mrs Doherty agreed to look at better reflecting the key successes for future reports.
- b) Mrs Doherty advised that the fund was set up entirely from funding from Kent County Council and no funding was received from the Europe or directly from the government. However, there were discussions regarding the possibility of other national funds contributing into this as a type of local agency. The only caveat was that last year a decision was made that a small amount of this funding be used in order to match fund the Regional Growth Fund to set up the Frederick's Foundation element. Through the Kent Community Foundation discussions had also been taking place with local philanthropists about them contributing to the fund or aligning some of their 'giving' to the outcomes of this fund.
- c) A comment was made that the information in the text of the report was not in line with the information in the tables set out in the report. Mr Garrett explained that the information in the tables were the definitive figures in jobs created.
- d) Mr Garrett advised that there were four Kent Community Foundation trustees from businesses across the County and there were three County Councillors on the Fund Investment Panel.
- e) Mr Garrett advised that he worked with the organisations on a face to face basis from their first point of contact. Those that default on their loan was very small.

4. RESOLVED that the responses to comments and questions by Members and the report be noted.

22. Ebbsfleet Garden City Urban Development Corporation

(Item B2)

(Report by Mr Dance, Cabinet Member for Economic Development)

(Mr N Smith, Head of Development was present for this item)

1. The Head of Development, Mr Smith, introduced the report that provided an update regarding the recent announcement in respect of Ebbsfleet Garden City and proposals to set up a Urban Development Corporation (UDC). It also outlined the opportunities and issues and sets out the next steps to be taken.

2. Mr Smith advised that:

- Kent County Council and Dartford and Gravesham Borough Councils were represented on the Senior Delivery Board and The Leader and Ms Cooper were representatives on the Delivery Board. The Chairman's appointment was due to take place in late July.
- Site boundaries formed part of the consultation.

- Planning powers transferred to the UDC (excluding plan making) including those by the County Council's waste and minerals. The UDC would determine all planning application, including both major strategic and minor sites.
- Key opportunities for the Ebbsfleet Valley were the proposed London Paramount leisure park on the Swanscombe Peninsula, creating 27,000 jobs and Ebbsfleet International Station offering domestic high speed services to London and Europe.

3. Mr Smith and Ms Cooper responded to comments and questions by Members which included the following:

- a) Members had concerns that planning powers were transferring to the UDC which was a nonelected forum. Mr Smith advised that the planning application had to be considered within the context of the Local Plans and had to be in accord with those Local Plans. There were three Local Authority Leaders on the UDC Board. Ms Cooper explained that over 95% of the plans already had outlined permission. The UDC served to accelerate delivery of development rather than delay it.
- b) In reply to a question, Ms Cooper advised that the details were not known as to how the planning applications by the UDC would be considered. The UDC still had to appoint a Chairman and appoint a Board.
- c) Members requested a comprehensive report to a future meeting when more detail was available.
- d) Ms Cooper confirmed that the Cabinet Committee could give feed back to the UDC Board.

4. RESOLVED that:-

- a) the responses to the comments and questions by Members be noted; and
- b) the progress to date and immediate next steps outlined in the report be noted.

23. Christmas/New Year 2013-14 Storms & Floods - Final Report (Item B3)

(Report by Mr M Hill, Cabinet Member for Community Services)

(Mr P Crick Director of Environment, Planning and Enforcement and Mr S Beaumont, Head of Community Safety and Emergency Planning were present for this item)

1. The Cabinet Member for Community Services, Mr Hill, introduced the report that provided a full review of lessons learned from Christmas/New Year 2013/14 storms and flooding (and previous severe weather events) and the actions taken by KCC and its multi-agency partners.

2. Mr Hill advised that the severe weather was a toxic mix of strong winds and rain which brought power lines down causing 28,000 homes to lose power. He stated that Kent could be proud of the multiagency response. He advised that despite the Christmas break staff responded well by coming into work from their Christmas leave. He advised that the Review produced 12 recommendations on

lessons learnt and 5 recommendations on taking the improvements to flood risk forward. Mr Hill advised that a further report would be submitted to Cabinet in future.

3. Mr Crick gave a presentation on the lessons learnt using overheads. During the presentation Mr Crick advised that Cabinet had endorsed the 17 recommendations on 7 July 2014.

4. Mr Crick and Mr Beaumont responded to comments and questions by Members which included the following:

- a) A comment was made that there should be one point of contact for the public to receive information during severe weather conditions.
- b) A Member suggested that the issue of resilience was important and there needed to be strong political pressure put on the government to fund flood defences. The Chairman requested that the message should also include the views of this Cabinet Committee. Mr Crick explained that the government would contribute to flood defences through the Flood Defence Grant in Aid (FDGiA). Kent would have to establish a list of priorities. Additional contributions or partnership funding would be required to make up the shortfall. Without partnership funding flood defence schemes could not be delivered.
- c) A comment was made about areas that had experienced severe flooding being part of a major planning applications and no weight being given to the issue of flooding and there was no representation from KCC and the Environment Agency. Mr Crick advised that Kent County Council was the Flood Risk Management Authority and had made representation to all of the Planning Authorities in Kent as consultees. He explained that a planning application within a flood risk area would be required to provide details of flood mitigation within the application.
- d) A Member recommended that the flooding hotspots in Kent needed to be identified and the issues of blocked drains should be mapped by Highways. Mr Crick advised that Highways had a schedule of maintenance and were reactive to reported blocked drains.
- e) Members commended the work carried out by Mr Beaumont and his Team and the volunteers during the severe weather.
- f) A comment was made that the utility companies needed to be held to account regarding the flooding with raw sewage. Mr Crick confirmed that his team liaised with all the water companies six monthly and he chaired the Chief officer group
- g) A Member suggested that it was not unreasonable for local people to contribute to local solution to flooding. Mr Crick concurred that residents should help themselves. He agreed that the necessary information could be collated and put on one website. He concluded that a county wide policy regarding sandbags was required.
- h) It was suggested that more should be done to alert the public of predicted flooding.
- i) A suggestion was made that the Parish Councils had an important role to play for local communities to make their own flood plans. Mr Crick explained that his team did work with the Kent Association of Parish Council.
- j) Members were advised to contact Mr Beaumont if they wished to hold public consultation meetings and a 'flood fair' in affected areas.

k) Mr Crick explained that the flood emergency services dealt in Gold Silver and Bronze command structure. This structure was recognised nationally by the emergency services and the army.

5. Mr Beaumont thanked Members for their comments and advised the following:

- Emergency Plans would be refreshed.
- Work had begun with the Kent Resilience Forum (Legal Body) on recommendations 1-12 and partnership working.
- Mr Greg Clark MP, Flood Envoy had visited sites in Kent and his focus was on the utility companies and he would be reporting back to Cabinet.
- A programme of training was being rolled out to all Parishes at threat of flooding.

6. RESOLVED that:-

- a) the responses to comments and questions by Members be noted;
- b) that the recommendations detailed in the action plan in appendix 1 to the report be noted; and
- c) a report on options and progress on delivery against the action plan be submitted to a future meeting be noted.

24. Update on Regional Growth Funds

(Item B4)

(Report by Mr M Dance, Cabinet Member for Economic Development)

(Ms J Ward, Regional Growth Fund Programme Manager)

1. The Cabinet Member for Economic Development, Mr Dance, introduced the report that detailed the progress of the three RGF schemes; Expansion East Kent, TIGER and Escalate. He advised that as the schemes came on board they were supported by the same officer Team who have built up knowledge and were able to replicate processes that had worked well. There were clear decisions made on clear presentations with good business plans, however there was a great deal of follow up when there was uncertainty on particular projects presented which created a lot of work for the officer Team. Mr Dance thanked the officers for the way they handled the businesses as there had been no reported complaints from applicants even by those that are refused.

2. The Regional Growth Fund Programme Manager, Ms Ward then gave a detailed overview of the report. Ms Ward highlighted that Expansion East Kent was being opened up to Ashford District today, 8 July and there was to be a Business to Business event held in Ashford International. Strategically KCC was now able to say that Regional Growth Funds were available to all Kent Districts. Ms Ward also highlighted that a Small Business Boost Fund was to be launched on 23 July 2014 and Members of this Cabinet Committee would be invited.

3. Ms Ward responded to comments and questions by Members which included the following:

- a) In response to a question, Ms Ward advised that Escalate's profile was for high growth companies but no companies were excluded in coming forward for Escalate. There were currently 9 companies that had come forward for Escalate. A high number of jobs were being created directly and indirectly as a result of Escalate. Escalate was meeting the aims and objectives that it was set up for. With regards the recycling of money for start-ups, Mrs Ward explained that Expansion East Kent had been running for longer and already there were returns coming through on investments. For both TIGER and Escalate the target of repayment was over a 5 year period and this would be realised in various tranches.
- b) Ms Ward agreed to report back to Mr Clarke regarding his question on Hybrid UKT regarding funding. [This was a company visited by Members of the Cabinet Committee on 20 June 2014].
- c) Ms Ward advised that when a company applied for funding they were required to produce a profile of the business detailing their expenditure and show their ability to match fund. The company was also required to give details of how it would safeguard the current jobs, all of this information formed part of the legal contract. Any variations to the contract had to agree with KCC.

4. RESOLVED that:-

- a) the responses to comments and questions by Members be noted;
- b) Mr Clark receives a reply to his question outside the meeting; and
- c) the progress to date in delivering the three Regional Growth Fund Schemes; Expansion East Kent, TIGER and Escalate be noted.

25. Unlocking the Potential and Strategic Economic Plan: Update
(Item B5)

(Report by Mr M Dance, Cabinet Member for Economic Development)

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

1. The Cabinet Member for Economic Development, Mr Dance, introduced the report by thanking Mr Gill for all his work undertaken in Kent's bid for funding from the Local Growth Fund.

2. Mr Gill highlighted that the Government announced the Local Growth Fund allocation on Friday, 4 July 2014. The South East Local Enterprise area; Kent, Essex Medway and East Sussex had secured a total of £442 million in Local Growth Fund across a six year period, of which, £84 million was committed for 2015/16. This was approximately pro rata the allocation expected. SELEP's total bid was for £1.1 billion. The £442 million was allocated largely to the Transport Schemes, which was given a high priority on our agenda by the Kent and Medway Economic Partnership. Mr Gill tabled a paper, attached to these Minutes, which listed the specific schemes that secured Local Growth Fund money totalling £133 million.

3. Mr Gill highlighted that there was a £6 million allocation for Kent and Medway Growth Hub which was intended as a central mechanism to improve business

support across the County; sign posting and improving access to the access to finance schemes. A report would be submitted to the Cabinet Committee in the future on the emerging propositions to taking that forward.

4. Mr Gill then spoke on the issues that were yet to be clarified which included how the funding would flow and the nature of the contracts. Consideration would also need to be given on how this worked within a federated model for the Local Enterprise Partnership (LEP).

5. There were proposals for funding for land and property interventions but the government was not minded to support, which was consistent across the LEP area. There were suggestions that there may be further funding that could be bid for later in the year. If this opportunity arose a report would be submitted to this Cabinet Committee. There was also funding of £22 million to improve the Further Education Capital Estate.

6. Mr Gill responded to comments and questions by Members which included the following:

- a) In response to questions, Mr Gill advised the government had more interest in those schemes that started in 2015/16 as they want to see delivery. The schemes listed on page 103 of the report were those schemes that were national schemes and would be those that the Highways Agency (HA) would be responsible. The government had used some local growth fund money in some cases to contribute to HA schemes and M2 Junction 10a was part of that. It was disappointing that there was no reference in the text to M2 Junction. Ms Cooper advised that A2 Bean and A2 Ebbsfleet were on a budget line, it was just junction 5 that was not.
- b) In reply to a question, Mrs Cooper advised that many of the Local Plan District Plans were helped by the government's announcements, such as Maidstone Integrated Transport and Sturry Link Road, Canterbury. For others the impact of the announcements needs to be considered such as Swale.
- c) Ms Cooper advised that the response to the Maidstone Local Plan regarding Leeds and Langley By-Pass would be within the remit of the Environment and Transport Cabinet Committee portfolio.
- d) Mr Gill advised that a full profile was submitted up to and beyond 2021 in terms of completion of the schemes, so there was an awareness of when those schemes should happen but this had not yet been reconciled with the figures received.
- e) A comment was made regarding the funding allocated to Thanet Parkway to deliver a new railway station was a success for Thanet.

7. RESOLVED that:-

- a) the responses to comments and questions by Members be noted; and
- b) the anticipated next steps in securing Local Growth Fund, European Structural Fund resources and in taking forward *Unlocking the Potential* be reported to a future meeting of this Cabinet Committee and the report be noted.

26. Performance Dashboard
(Item C1)

(Report by Mr M Dance, Cabinet Member for Economic Development and Mr Hill, Cabinet Member for Community Services)

(Mr R Fitzgerald, Performance Manager was present for this item)

1. The Performance Manager, Mr Fitzgerald introduced the report that showed progress against targets set for Key Performance Indicators using a Red, Amber, Green (RAG) rating. This was the first of this report to this newly appointed Cabinet Committee which now includes Libraries, Registration and Archives.

2. Mr Fitzgerald highlighted and explained some of the performance indicators within appendix 1 to the report including the Economic Development Performance Indicator 'Number of jobs created/safeguarded through RGF and KCC projects', explaining that this looked wider than the Regional Growth Fund and looked at all the activity including what was happening with Locate in Kent. In March 2013 we were ahead of target. The figures in the table were for this current year and not the accumulative position so this was for 2 months which was early to be judging the year's performance with 371 jobs so far against an expected 400 jobs which was an acceptable result. He then referred to the regional growth funds monies, where for TIGER and Escalate as at the end of May 42% of the funding had been allocated at Board approval stage. We would want to be at 44% at the end of May in order to be on track to reach 100% allocated by March 2015. He referred to the 'Funding levered into Arts and Culture' explaining that the funding did not coming in an even flow. He advised that compare to last year where the funds stood at £135k, there was now £504k which shows that we were ahead of last year although a lot of funding came in at the end of the year last year.

3. Mr Fitzgerald responded to comments and questions by Members which included the following:

- a) In response to a request, Mr Fitzgerald agreed to look at adding more detail regarding services such as Libraries to the report.
- b) Mr Fitzgerald confirmed that the average number of e-books issued per day was 313.

4. RESOLVED that responses to comments and questions by Members and the report be noted.

27. Work Programme 2014/15
(Item C2)

(Report by Head of Democratic Services)

(Ms C Singh, Democratic Services Officer, was present for this item)

1. The Cabinet Committee received a report on the proposed work programme for the Growth, Economic Development and Communities Cabinet Committee for 2014/15.

2. RESOLVED that the Members were encouraged to forward their suggestions for future agenda items to the Chairman or the Democratic Services Officer and the work programme 2014/15 be noted.