

**GROWTH ECONOMIC DEVELOPMENT AND
COMMUNITIES CABINET COMMITTEE**

Thursday, 22nd January, 2015

10.00 am

**Darent Room, Sessions House,
County Hall, Maidstone**

**Please bring your copy of the Draft Budget 2015/16 and
Medium Term Financial Plan 2015/18 to the meeting**





AGENDA

GROWTH ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE

Thursday, 22 January 2015 at 10.00 am
Darent Room, Sessions House, County Hall,
Maidstone

Ask for: Christine Singh
Telephone: 03000 416687

Tea/Coffee will be available 15 minutes before the start of the meeting

Membership (13)

Conservative (8): Mr M A Wickham (Chairman), Mr S Holden (Vice-Chairman),
Mr M A C Balfour, Mr A H T Bowles, Miss S J Carey,
Mr J A Kite, MBE, Mr G Lymer and Mr C Simkins

UKIP (2) Mr M Baldock and Mr F McKenna

Labour (2) Mrs E D Rowbotham and Mr R Truelove

Liberal Democrat (1): Mr B E Clark

Webcasting Notice

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By entering into this room you are consenting to being filmed. If you do not wish to have your image captured please let the Clerk know immediately

UNRESTRICTED ITEMS

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

A - Committee Business

A1 Introduction/Webcast announcements

A2 Apologies and Substitutes

To receive apologies for absence and notification of any substitutes present

A3 Declarations of Interest by Members in items on the Agenda

To receive any declarations of interest made by Members in relation to any matter on the agenda. Members are reminded to specify the agenda item number to which it refers and the nature of the interest being declared

A4 Minutes of the meeting held on 2 December 2014 (Pages 7 - 14)

To consider and approve the minutes as a correct record

A5 Verbal updates

To receive verbal updates from the Cabinet Members for Economic Development and Community Services and the Corporate Director for Economic Development on topics including the following:

- Libraries

A6 PRESENTATIONS:

Proposition on Swale – Kieran Mansfield, Economy and Community Services Manager, Swale Borough Council

Locate in Kent update on inward investment – Paul Wookey, Chief Executive

B - Other items for comment/recommendation to the Leader/Cabinet Member/Cabinet or officers

B1 Budget 2015/16 and Medium Term Financial Plan 2015/18 (Pages 15 - 50)

To receive a report by the Deputy Leader and Cabinet Member for Finance and Procurement; the relevant Cabinet Members for the Growth, Economic Development and Communities portfolio and Corporate Directors for Finance and Procurement; and Growth, Environment and Transport that sets out the proposed draft budget 2015/16 and Medium Term Financial Plan (MTFP) 2015/18 as it affects the Growth, Economic Development and Communities Cabinet Committee. The report includes extracts from the proposed final draft budget book and MTFP relating to the remit of this committee. This report also includes information from the KCC budget consultation, Autumn Budget Statement and provisional Local Government Finance Settlement as they affect KCC as a whole as well as any specific issues of relevance to this Cabinet Committee.

B2 Update on Regional Growth Fund Programmes (Pages 51 - 86)

To receive a report by the Cabinet Member for Economic Development that provides an update on the allocation of funds to companies and the monitoring process for all three schemes; Expansion East Kent, Tiger and Escalate.

B3 Rail Capacity in Kent to support Economic Growth (Pages 87 - 94)

To receive a report by the Cabinet Member for Environment and Transport and Corporate Director for Growth, Environment and Transport on how Kent County Council (KCC) adopted its principal rail policy with the publication of the Rail Action Plan for Kent in April 2011. This new rail policy initiative, developed primarily to inform the new franchises for the Southeastern and Thameslink networks, was based on the future needs of the county for a rail network which would have sufficient capacity to support economic growth.

B4 Local Growth Fund: Governance and oversight arrangements (Pages 95 - 98)

To receive a report from the Cabinet Member for Economic Development and the Corporate Director of Growth, Environment and Transport that sets out proposed arrangements for receipt, governance and oversight of the Local Growth Fund allocation. These include the establishment of a Joint Committee for the South East LEP area (referred to as an 'Accountability Board' and a Joint Committee for Kent and Medway. It is proposed Kent County Council shall be a constituent authority of both.

B5 Work Programme 2015 (Pages 99 - 106)

To receive a report by the Head of Democratic Services that gives details of the proposed work programme for the Growth, Economic Development and Communities Cabinet Committee

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 January 2015

Please note that any background documents referred to in the accompanying papers maybe inspected by arrangement with the officer responsible for preparing the relevant report.

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KENT COUNTY COUNCIL

**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, 2 December 2014.

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

ALSO PRESENT: Mr M C Dance, Mr P M Hill, OBE, Mr P B Carter, CBE, Mr Barber and Dr Webber

IN ATTENDANCE: Ms B Cooper (Corporate Director of Growth, Environment and Transport), Mr D Smith (Director of Economic Development), Mr S Dukes (Economic Development Officer), Mr R Fitzgerald (Performance Manager), Mr T Harwood (Senior Resilience Officer), Mr M Overbeke (Head of Regulatory Services), Mr M Tant (Flood Risk Manager) and Ms C A Singh (Democratic Services Officer)

UNRESTRICTED ITEMS

41. Apologies and Substitutes
(Item A2)

Apologies were received from Mrs Rowbotham and Mr Baldock.

42. Declarations of Interest by Members in items on the Agenda
(Item A3)

No declarations were made.

43. Future Meeting Dates - 2015
(Item A4)

RESOLVED that the Growth, Economic Development and Communities Cabinet Committee noted the meeting dates for 2015 as follows:

Thursday, 22 January

Tuesday, 14 April

Tuesday, 7 July

Tuesday, 15 September

Tuesday, 1 December

(Meetings to be held in the Darent room and will commence at 10.00am)

44. Minutes of the meeting held on 16 September 2014

(Item A5)

RESOLVED that the Minutes of the meeting held on 16 September 2014 are correctly recorded and that they be signed by the Chairman.

45. Verbal updates

(Item A6)

1. The Cabinet Member for Economic Development, Mr Dance, gave his verbal update that Locate in Kent was looking to brand Kent Life Sciences. This would be wider than the Discovery Park but would include science based institutions from the whole of Kent to aid selling Kent as a Centre of excellence

2. The Cabinet Member for Community Services, Mr Hill, gave his verbal update advising that the new model for Kent Libraries had been delayed and had not yet been consulted on. This would take place in the New Year.

3. Mr Hill advised that the annual John Downton Awards for Young Artists was a great success and attracted record numbers of submissions which may mean finding a larger area for future art exhibits as only a third of the submissions could be shown.

4. RESOLVED that the information in the verbal updates be noted.

46. PRESENTATIONS:

(Item A7)

(Verbal presentations by Mr D Smith, Director of Economic Development accompanied by Mr P Barber, Managing Director of Discovery Park Limited and Ms B Cooper, Corporate Director for Growth, Environment and Transport)

Discovery Park Enterprise Zone

1. The Director of Economic Development, Mr Smith, who was accompanied by the Managing Director of Discovery Park Limited, Mr Barber, gave a verbal update. Mr Smith and Mr Barber gave a brief overview of the consortium buying Manston advising that this was put forward as an extension of the Enterprise Zone. The site would be developed with the aim to provide space for a wide range of businesses with a focus on attracting companies interested in advanced manufacturing, as well as the provision of housing, shops, schools and community facilities.

2. Mr Smith and Mr Barber responded to questions by Members which included the following:

- a) Mr Barber advised that the companies on the Pfizer site were mainly European although there were companies from Australia and India.
- b) The Discovery Park site had achieved 50% occupancy and was on course for full occupancy. The site was exempt from the empty property rate for 5 years through an arrangement with the government and Dover District Council.
- c) Mr Barber explained that as well as bioscience and life sciences based companies on site there were also solicitors and accountants that used a

large area of the site. Member noted that half of the floor space was office space and not laboratories.

- d) Members noted how the Discovery Park site offered accommodation to a school in Sandwich that had flooded. A exhibition space had been converted into a school. The children used the site for two weeks while repairs took place at their school. Those two weeks coincided with science week at the school. The feedback from the children was that they were the best two weeks and the parents were grateful.

3. The Leader of Kent County Council, Mr Carter praised the success of the Discovery Park site and was welcomed the investment in Manston site.

Growth and Infrastructure

1. The Corporate Director for Growth, Environment and Transport, Ms Cooper gave a presentation using overheads on "The Future of Growth and Infrastructure in Kent". Members were advised that the Local Growth Fund Round 1 bid gained £133 million mainly for transport and the Round 2 bid would be submitted on 3 December 2014 which would be for £46 million. The priorities for the funding included Strategic Priorities of national importance including Dover Western Docks and Westerhanger Lorry Park; major transformational projects including Maidstone Medial Campus and Kent Science Park, regional infrastructure schemes including Leigh flood storage area; local transformation schemes including Pembury Road phase 1 and Sittingbourne Town Centre; and local schemes for short term delivery including Shearway Business Park.

2. Ms Cooper set out the timetable as follows:

- Overall Growth Strategy - Draft in January 2015 for consultation before the end of March.
- Growth and Infrastructure Plan - Initial report in January and final report in Spring.
- County-District Deals - Some Districts expressing an interest already. Initial round of Deals to be discussed in the New Year

3. Ms Cooper responded to questions by Members as follows:

- a) Ms Cooper agreed to forward details to Mr Truelove regarding the LGF2 Sittingbourne Town Centre.
- b) Members noted that there no funding on line for junction 5 but there was a commitment to it.
- c) Ms Cooper explained that the Growth and Infrastructure Plan was not about changing governance and the Joint Transport Boards would continue to carry out their work. Mr Carter concurred that there was no intention of stopping the Joint Boards explaining that they added value and ensured that the priorities of Members were heard.
- d) There would be indepth work with various districts on housing numbers etc as there would be an effect on infrastructure so that a county wide coherent infrastructure plan could be drawn up.
- e) Ms Cooper advised that Kent County Council hoped to continue working closely with the district councils to gain a strategic view on the possible effects of each districts plan on their neighbours.

4. RESOLVED that the responses to questions by Members and the information given in the verbal presentations be noted.

47. Discovery Park Enterprise Zone: Growing Places Fund
(Item B1)

(Report by Mr M Dance, Cabinet Member for Economic Development and Ms B Cooper Corporate Director for Growth and Environment and Transport)

(Mr P Carter CBE, Leader of Kent County Council, Mr D Smith, Director of Economic Development and Mr Barber, Discovery Park were also present for this item)

1. The Director of Economic Development, Mr Smith, presented the report on the process through which it was anticipated that Growing Places would be drawn down and managed. He highlighted paragraph 3.1 in the report that stated “Kent County Council had already called for applications against the £4.6 million allocation for Discovery Park. However, to enter into a loan agreement, a Key Decision would need to be taken. This was because it resulted in expenditure of over £1 million”. Mr Smith sought the Cabinet Committee’s views on the proposed decision due to be taken by the Cabinet Member for Economic Development.

2. Mr Smith advised that Kent County Council was determined to recoup its costs and all applications for loans would be appraised before a decision was taken. Mr Carter added that agreement had been given that any risk would rest with the South East LEP.

3. RESOLVED that the responses to questions by Members be noted and the Growth, Economic Development and Communities Cabinet Committee endorsed the decision to be taken by the Cabinet Member for Economic Development on:

- a) the proposed arrangement for managing the Growing Places Fund loan money; and
- b) the proposed decision that Kent County Council shall;
 - i. Draw down capital funds of up to £4.6 million from Growing Places Fund;
 - ii. Make available loan finance of up to £4.6 million to one or more third party organisations to support the development of Discovery Park Enterprise Zone.

Provided that this is subject to:

- iii. The conclusion of a satisfactory loan agreement from Essex County Council, as the Accountable Body for the Growing Places Fund; and
- iv. The receipt of a satisfactory application for loan finance from one or more third party organisations.

48. **Manston Update**

(Item C1)

(Report by Mr D Smith, Director of Economic Development)

(Mr P Carter, MBE, Leader of Kent County Council, was present for this item)

1. The Chairman received a requested, before the meeting, from Dr Webber, a Member of "Save Manston", to make a statement at the meeting and used his discretionary powers to allow Dr Webber the opportunity to address the Cabinet Committee regarding Kent County Council's position on the additional runway at Gatwick and Save Manston wish for Manston to remain an airport.

2. The Leader of Kent County Council, Mr Carter, MBE, then gave a presentation using overheads on:

- Kent County Council's investment in transport infrastructure in East Kent;
- The announcement of the closure of Manston Airport,
- The change in ownership of Manston; and
- The County Councils support for regeneration, business investment and job creation in Thanet and the prospect for jobs and new investment.

3. Mr Carter explained that there had been a total market failure nationally in aviation. There was now optimism for the future of the Manton site following Discovery Park Limited coming forward to purchase the site and he looked forward to hearing about their vision and creation of jobs.

4. Mr Carter advised that there was a motion submitted to a meeting of Thanet District Council regarding a compulsory purchase order which was supported. An external consultant was appointed to conduct a viability study of Manston Airport. Kent County Council would have given its support to an exciting viable business plan put forward, however to date no further action had been pursued by Thanet District Council regarding a compulsory purchase order.

5. Mr Carter and Mr Smith responded to questions by Members as follows:

- a) Mr Carter advised that he had been in contact with Infratil Limited in the years of marketing Manston Airport. Everything had been done to aid a sale of the Manston site. Mr Smith explained that 30 interested parties came forward but withdrew following making their calculations on the viability of the airport. Ms Ann Gloag came forward in 2013. Ms Gloag had been interested in Prestwick Airport but Infratil Limited was selling both airports together. In November 2013, the Scottish government, who were anxious for the jobs at Prestwick Airport, stepped in and bought the Airport. Ms Gloag bought Manston Airport.
- b) Mr Smith advised that only Thanet District Council could answer questions regarding their intentions regarding the compulsory purchase order but to date no report had been submitted to their committees.

6. **RESOLVED** that the responses to questions by Members and the information in the verbal update be noted.

49. **Christmas New Year 2013-14 Storms & Floods – Progress Report**

(Item C2)

(Report by Mr Hill, Cabinet Member for Community Services and Mr P Crick, Director of Environment, Planning and Transport)

(Mr T Harwood, Senior Resilience Officer, Mr M Overbeke, Head of Public Protection and Mr M Tant, Flood Risk Manager, were present for this item)

1. The Cabinet Member for Community Services, Mr Hill, introduced a report that set out the progress made to deliver the 17 recommendations in the Christmas/New Year 2014-14 Storms and Floods – Lessons Learnt report that had been initially endorsed by Cabinet on 7 July 2014, followed by an update report to Cabinet on 13 October.

2. The Senior Resilience Office, Mr Harwood, tabled a document entitled “What shall I do in an emergency” which he advised had been well received by the general public and spoke on the key highlights under the following headings set out in the report:

- *Management action*
- *Plans*
- *Training & Exercising*
- *Community Engagement and*
- *Financial investment & Flood Risk Management*

3. Mr Harwood, Mr Overbeke and Mr Tant responded to questions by Members as follows:

- a) Officers acknowledged the wealth of knowledge that Members held on their local areas and this would be utilised.
- b) The Environment Agency dealt with larger schemes regarding flood defence such as coastal flooding. KCC was working with the EA to identify strategic schemes in Kent that require partnership funding.
- c) A Member referred to the tabled document entitled “What shall I do in an emergency” stating that the information on the distribution of sandbags was ambiguous. Mr Harwood agreed to circulate a chart of which district councils distributed sandbags and which did not.
- d) A comment was made that the issues of highways that render flood defences null and void needed to be addressed.

4. RESOLVED that the responses to questions by Members and the progress being made against the 17 lessons learnt recommendations set out in the report be noted.

50. London Paramount

(Item C3)

(Report by Mr M Dance, Cabinet Member for Economic Development and Ms B Cooper, Corporate Director of Growth, Environment and Transport)

(Mr S Dukes, Economic Development Officer, was present for this item)

1. The Economic Development Officer, Mr Dukes, introduced the report that summarised the proposals for the London Paramount leisure resort at Swanscombe and highlighted the potential economic benefits.

2. The Cabinet Member for Economic Development, Mr Dance, advised that the Paramount Resort would be a world-class destination and as such would require infrastructure to allow high-speed rail links and other public transport for both visitors and the existing residents to enjoy a stress free journey to and from the resort. Mr Dance gave the scheme his full support.

3. Mr Dance, Ms Cooper and Mr Dukes responded to questions by Members as follows:

- a) Mr Dukes advised that the issue of flood defence in the area would be discussed with Paramount as the company would need to address any issues in its planning applications.
- b) Mr Dukes advised that the issue of increased traffic generated by the Creative Industry Hub could not be tested until the full details of the development were agreed.
- c) Mr Duke confirmed that as a Nationally Significant Infrastructure Project (NSIP) the decision to grant permission would rest with the Secretary of State therefore any housing and retail on the development would be scrutinised that it forms part of the core business.
- d) Ms Cooper confirmed that potential archaeological issues were being looked at in the area.
- e) Members supported the prospect of a Creative Industry Hub and felt passionately that the opportunity should be grasped and any problems tackled to ensure the development happened.

4. RESOLVED that the responses to comments and questions by Members and the actions set out under section 6 (Next Steps) in the report be noted.

51. Work Programme 2014/15

(Item C4)

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

1. The Cabinet Committee considered a report that gave details of the proposed Work Programme for the Cabinet Committee in 2014/15.

2. RESOLVED that the report by noted.

52. Performance Dashboard

(Item D1)

(Report by Mr Dance, Cabinet Member for Economic Development, Mr Hill, Cabinet Member for Community Services; and Ms B Cooper, Corporate Director of Growth, Environment and Transport)

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

1. The Performance Manager, Mr Fitzgerald, introduced a report that outlined the progress made against targets set for Key Performance Targets from data up to the end of September 2014.
2. Mr Fitzgerald advised that the majority of the Key Performance Indicators were presented with a green rating which indicated that the performance had met or exceeded the current target.
3. A Member celebrated the information given on page 57 of the report that referred to the general state of the Kent economy that was continuing to show good improvement.
4. Mr Hill explained that the continued decline in attendance in libraries was a national trend. The reasons for the decline included the availability of cheaper books; the introduction of kindles and books that can be downloaded via eBook.
5. RESOLVED that the responses to questions by Members and the report be noted.

From: John Simmonds, Deputy Leader and Cabinet Member for Finance and Procurement

Mark Dance, Cabinet Member for Economic Development

Mike Hill, Cabinet Member for Community Services

Andy Wood, Corporate Director for Finance and Procurement

Barbara Cooper, Corporate Director for Growth, Environment and Transport

To: Growth, Economic Development and Communities Cabinet Committee – 22 January 2015

Subject: Budget 2015/16 and Medium Term Financial Plan 2015/18

Classification: Unrestricted

Summary:

This report sets out the proposed draft budget 2015/16 and Medium Term Financial Plan (MTFP) 2015/18 as it affects the Growth, Economic Development and Communities Cabinet Committee. The report includes an extracts from the proposed final draft budget book and MTFP relating to the remit of this committee. This report also includes information from the KCC budget consultation, Autumn Budget Statement and provisional Local Government Finance Settlement as they affect KCC as a whole as well as any specific issues of relevance to this committee.

Recommendation:

The Growth, Economic Development and Communities Cabinet Committee is asked to note the draft Budget and MTFP (including responses to consultation and Government announcements) and make recommendations to the Cabinet Member for Finance and Procurement, Cabinet Member for Economic Development and Cabinet Member for Community Services on any other issues which should be reflected in the budget and MTFP prior to Cabinet on 28th January 2015 and County Council on 12th February 2015.

1. Introduction

1.1 Setting the annual budget and three year MTFP remains one of the most important and challenging strategic decisions that the council has to make. Over recent years the council has to tackle the conflicting impact of reduced funding from central government as it seeks to eliminate the budget deficit, rising demand and cost of providing services, and a desire to keep Council Tax increases low. At the same time the Council has also had to respond to significant changes in responsibility passed down from central government and significant changes in the way local authorities are funded.

This means the council has had to make unprecedented levels of year on year savings in order to balance the budget.

- 1.2 This challenge is unlikely to abate for the foreseeable future. When we set the 2014/15 budget and 2014/17 MTFP we anticipated there would be further significant reductions in Revenue Support Grant (RSG) for 2015/16 as a result of the Spending Round 2013 announcements. These reductions were anticipated to be on a similar scale to 2011/12 when the first round of reductions in public spending were front-loaded onto local government. The provisional Local Government Finance Settlement announced on 18th December confirmed that these reductions were as per the amounts we had anticipated (other than some minor technical adjustments which have no material impact).
- 1.3 The outlook beyond 2015/16 looks equally grim with predictions of further public spending reductions if the Government is to meet its deficit elimination targets, with commentators suggesting that these reductions would see public spending as a proportion of the overall economy reducing to levels not seen since the 1930s. We do not have any Government spending plans beyond 2015/16 so we have no detail where these reductions might be achieved, or if an incoming government may change its stance on levels of spending and taxation. However, whatever the outcome it is clear that any new government is highly unlikely to run a large deficit and that substantial savings will have to be delivered beyond 2015/16.
- 1.4 Section 2 of the published MTFP provides a much fuller analysis of the national financial and economic context.

2. Financial Implications

- 2.1 The initial draft budget was published for consultation on 9th October 2014. This set out our forecasts for the overall funding likely to be available for the next 3 financial years, estimated spending based on the current year's performance and future predictions for additional spending demands, and additional savings/income necessary to balance the budget. The funding estimates were unchanged from the 2014/17 MTFP (these were based on the indicative settlement for 2015/16 from central government published at the same time as the 2014/15 settlement) and KCC estimate for 2016/17. The consultation included a new estimate for 2017/18.
- 2.2 The financial equation presented in the consultation is set out in table 1 below. The consultation identified proposed savings of £85.8m leaving a gap of £7.4m still to be found before the budget is finalised.

Table 1	2015/16		3 years	
Grant Reductions	-£55.8 m	-15.40%	-£118.0 m	-32.60%
Council Tax/Business Rates	£11.5 m	1.99%	£42.0 m	7.20%
Spending Demands	£48.9 m	5.20%	£130.0 m	13.80%
Savings	-£93.2 m	-9.90%	-£206.0 m	-21.90%

- 2.3 As indicated in paragraph 1.2 the provisional Local Government Finance Settlement for 2015/16 was announced on 18th December and was largely unchanged from the previous indicative settlement. There were some minor technical adjustments and changes in business rates which affected both the RSG and business rate top-up, but these will be compensated by changes in other grants.

At the time we published the MTFP we had no indicative figures for other grants outside the main settlement e.g. New Homes Bonus, Education Services Grant (ESG), etc., and thus included our best estimate. These estimates have now been updated from the provisional settlement although the amount for ESG is recalculated during the year to take account of academy transfers (and we have to estimate the impact) and the business rate compensation grant for the changes in business rates included in the Autumn Statement has not yet been announced.

- 2.4 As well as the provisional settlement, which includes un-ring-fenced grants where the council has complete discretion how the money is spent, there are still a number of ring-fenced grants allocated by government departments. These ring-fenced grants are announced both before and after the provisional settlement according to individual ministerial decisions. The County Council's financial strategy is that any reductions (or increases) in ring-fenced grants are matched by spending changes and therefore there is no overall impact on the net spending requirement. This means the County Council will not generally top-up ring-fenced grants from Council tax or general grants.
- 2.5 We have had provisional notification of the Council Tax base from district councils. This is higher than the 0.5% estimate included in the budget consultation and was reflected in the final draft budget published on 12 January. We will receive final notification by the end of January together with any balances on this year's collection funds. The final draft budget will also confirm the intention to increase the KCC precept for all Council Tax bands by 1.99%, increasing the County Council Band D rate from £1,068.66 to £1,089.99. We have had no provisional business rate tax base figures and at this stage are assuming no change from the baseline. Under the new funding arrangements introduced in 2013/14 the County Council receives 9% of any increase in the business rate base, and for budget planning purposes this is considered to be marginal and we assume no increase/decrease until we receive the final tax base at the end of January.
- 2.6 Appendix 1 sets out the high level picture of the revised funding, spending and savings assumptions which are proposed for 2015/16 and included in the draft MTFP which was published on 12th January. There may be further changes to the final draft budget for 2015/16 following final notification of all Government grants and final tax bases (including collection fund balances). As in previous years any changes from the amounts published will be reported to County Council in February. At this stage we have not revised the assumptions for 2016/17 and beyond (despite some very dire forecasts included in the Autumn Statement and accompanying outlook from the Office for Budget Responsibility) until we have more detail following the next spending review.

- 2.7 Appendix 2 sets out a more detailed extract from the MTFP setting out the main changes between 2014/15 and 2015/16 relating to the remit of the Growth, Economic Development and Communities Cabinet Committee. This information is included in the draft MTFP published on 12th January. The council's budget and MTFP is structured according to directorate responsibilities. This means presenting information that is relevant to individual Cabinet Committees is not straight forward.

We moved from publishing budget information on a Cabinet portfolio basis to a directorate basis for 2014/15 budget. This was introduced to enhance budget planning and control in the difficult financial climate. The information in appendix 2a and 2b is based on the budget responsibilities for the following directors/directorates (note this does not include budgets held by Corporate Directors or any unallocated amounts):

Growth, Economic Development and Communities Cabinet Committee

GET Directorate – Director of Economic Development

GET Directorate – Director of Environment, Planning and Enforcement

GET Directorate – Director of Libraries, Registration and Archives

- 2.8 Appendix 3 sets out an extract from the draft Budget Book setting out the relevant budgets for 2014/15 and 2015/16 for the A to Z entries relating to the remit of Growth, Economic Development and Communities Cabinet Committee. The information in appendix 3 is based on the budget responsibilities for the same directors/directorates as appendix 2 but does not include budgets for Directorate Management and Support or budgets held by other directors.
- 2.9 Appendix 4 sets out the draft capital programme for Growth Environment and Transport Directorate. Due to the way the capital programme is constructed the budget and funding cannot be broken down into more detail to more closely match the remit of individual cabinet committees.

3. Budget Consultation

- 3.1 The consultation and engagement strategy for 2014 included the following aspects of KCC activity:
- Press launch on 9th October
 - 3 questions seeking views on Council Tax, approach to savings and balancing the 2015/16 budget open from 9th October to 28th November
 - On-line budget modelling tool comparing 22 areas of front line spending open from 9th October to 28th November
 - A simple summary of 3 year budget published on KCC website
 - Web-chat on 24th October with Cabinet and Deputy Cabinet members for Finance & Procurement
 - Workshops with business and voluntary & community sectors on 27th November
 - Staff workshops
 - Presentation and discussion with Kent Youth County Council on 16th November

A full analysis of the responses to the consultation will be reported to Cabinet on 28th January and circulated to members of the Policy and Resources Cabinet Committee in advance. This will also be available as background material for the County Council meeting in February. This section of the report covers the main results from the 3 questions and on-line tool to assist Committees in scrutinising the budget proposals set out in the exempt appendices. The responses to the 3 questions and on-line tool are set out in appendices 5 and 6.

- 3.2 In addition the council employed market research experts to validate the responses with a representative sample of residents via more in depth research and analysis. This included an e-mail survey using the same on-line tool as the Kent.gov.uk website which enables a direct comparison of views between those responding on-line a survey with a representative sample. This analysis in appendix 6 does not highlight any marked differences. The full consultant's report is unlikely to be available in time for cabinet committees but will be available as background material for the full County Council budget meeting in February.
- 3.3 In total we have received 1,962 responses to the 3 questions and 853 responses to the on-line tool. Although responses to the individual questions were less than last year this is still a high level of engagement compared to previous years when more detailed questions were included. There is no evidence that asking an additional question compared to last year affected responses levels, and the evidence shows that we did not get the same surge of responses at particular times as we had last year. This indicates that we need to find more effective ways to promote awareness throughout the campaign in order to increase response levels. The responses to the on-line tool are higher than last year, which is encouraging. The responses to the 3 questions and the online tool via the Kent.gov.uk website include those from residents and staff. The more detailed analysis has not shown up any marked differences between staff and residents at this stage although more work is needed on this analysis for the final reports.
- 3.4 The responses to the 3 questions clearly indicate support for a 1.99% Council Tax increase in order to preserve valued services as result of reduction in government funding. This conclusion is fully supported by the market research evidence. Although there is some support for higher increases there is not enough evidence that a referendum would be successful. This too was borne out by the market research and the more in depth analysis. Around ¼ of respondents would prefer a Council Tax freeze. These responses are remarkably consistent with last year's responses.
- 3.5 The responses to the question on the approach to making savings show support for a mixed approach, with the highest level of support for a transformation approach, but also significant support for efficiency savings and stopping/reducing the lesser valued services. This is similar to responses from last year although the question was phrased in better way to get a clearer picture. Support for restricting access to services continues to receive the lowest support as an approach to savings.

- 3.6 Responses to the options to close the unresolved gap in the 2015/16 budget showed clear for raising additional income either through increased charging or increasing the Council Tax base through tackling avoidance.

We have placed a high priority on the latter and have recently had a successful bid to the Government's £16m anti-fraud fund. We will continue to work with district councils and other major precepting authorities to maximise the tax base. The next most popular option was to deliver further savings and options for higher Council tax increase (in excess of 1.99% already proposed), use of reserves and pay/price freeze were less popular.

- 3.7 All these results are consistent with the initial analysis from other engagement activities.
- 3.8 All of the responses above are supported by initial analysis from the market research and other KCC led activities.

4. Specific Issues for Growth, Economic Development and Communities Cabinet Committee

- 4.1 Appendices 2, 3 and 4 set out the main budget proposals relevant to Growth, Economic Development and Communities Cabinet Committee. These proposals need to be considered in light of the general financial outlook for the county council over the medium term, and in particular the need for significant savings in 2015/16 as a result of the 25% reduction in Revenue Support Grant within the provisional settlement (13% within overall settlement). Committees will also want to have regard to consultation responses in considering budget proposals.

5. Conclusions

- 5.1 The financial outlook for the next 3 years continues to look challenging. The reductions in the provisional settlement for 2015/16 are as severe as we anticipated from the indicative settlement last year, and the only changes relate to marginal technical issues. These make the settlement look slightly better but are offset by changes in other grants outside the settlement which mean the effective reductions are around 13%. We continue to reject the Government's "change in spending power" figures within the settlement. These include some specific grant increases (which bring with them additional spending requirements) and ignore the impact of unfunded and unavoidable spending increases (see below).
- 5.2 At this stage we have not changed our forecasts for 2016/17 and 2017/18 even some commentators have expressed the view that meeting the deficit elimination objectives up to 2018/19 will require even greater spending reductions than 2010/11 to 2014/15. Nonetheless, committees should be aware of this potential, particularly when considering additional spending demands for 2015/16 which add to the council's base budget, and therefore, future spending levels.

- 5.3 Appendix 2 includes the latest estimates for unavoidable and other spending demands for 2015/16 and future years. These estimates are based on the latest budget monitoring and activity levels as reported to Cabinet in December (quarter 2). Committees no longer receive individual in-year monitoring reports and therefore members may wish to review the relevant appendices of the Cabinet report before the meeting.

6. Recommendation

Recommendation:

The Growth, Economic Development and Communities Cabinet Committee is asked to note the draft Budget and MTFP (including responses to consultation and Government announcements) and make recommendations to the Cabinet Member for Finance and Procurement and Cabinet Member for Transport and Environment on any other issues which should be reflected in the budget and MTFP prior to Cabinet on 28th January 2015 and County Council on 12th February 2015.

7. Background Documents

- 7.1 Consultation materials published on KCC website
<http://www.kent.gov.uk/about-the-council/have-your-say/budget-consultation>
- 7.2 The Chancellor of the Exchequer's Autumn Statement on 3rd December 2014 and OBR report on the financial and economic climate
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/382327/44695_Accessible.pdf
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/382525/December_2014_EFO.pdf
- 7.3 The provisional Local Government Finance Settlement 2015/16 announced on 18th December 2014
<https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2015-to-2016>
- 7.4 Any individual departmental announcements affecting individual committees

8. Contact details

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Appendix A (i) - High Level 2015-18 Budget Summary

2014-15 (revised)			2015-16		2016-17		2017-18	
£000s	£000s		£000s	£000s	£000s	£000s	£000s	£000s
	954,304	Revised Base Budget		940,313		905,648		887,606
		Additional Spending Pressures						
11,472		Pay & Prices	12,434		20,121		16,365	
10,487		Demand & Demographic	9,100		9,800		15,200	
14,369		Government & Legislative	23,247		10,785		0	
0		Base Budget pressures from previous year	8,219		195		0	
20,215		Service Strategies and Improvements	5,787		3,076		3,798	
0		Reduction in grants used for specific purposes	3,418		0		0	
	56,543	Total Additional Spending		62,204		43,976		35,363
	24,870	Replacement for use of One-Off Savings		12,557		8,679		1,000
	81,413	Total Pressures		74,761		52,655		36,363
		Savings & Income						
		<u>Transformation Savings</u>						
-13,050		Adults Transformation Programme	-14,725		-9,194		-5,088	
-10,622		Children's Transformation Programmes	-5,583		-11,700		-7,600	
-12,708		Other Transformation Programmes	-6,990		-3,922		-3,311	
-5,217		Income Generation	-5,816		-3,865		-3,631	
-14,001		Increases in Grants & Contributions	-19,669		-10,785		0	
		<u>Efficiency Savings</u>						
-9,800		Staffing	-9,512		-2,607		-1,030	
-422		Premises	-2,522		-956		-1,056	
-13,102		Contracts & Procurement	-16,316		-2,565		-4,040	
-3,000		Other	-1,004		-390		-50	
-8,861		Financing Savings	-21,024		1,000		0	
-4,621		Policy Savings	-6,266		-3,765		-4,535	
	-95,404	Total Savings & Income		-109,426		-48,749		-30,341
	0	Unidentified		0		-21,948		-22,704
	940,313	Net Budget Requirement		905,648		887,606		870,924
		<u>Funded by</u>						
529,125		Council Tax Yield	548,840		562,606		576,724	
4,018		Council Tax Collection Fund	0		0		0	
46,924		Local Share of Retained Business Rates	47,601		48,800		50,000	
-1,236		Business Rate Collection Fund						
		<u>Un-ring-fenced Grants</u>						
213,092		Revenue Support Grant	159,524		128,000		94,000	
120,634		Business Rate Top-Up Grant	122,939		126,000		129,000	
27,756		Other Un-Ring-Fenced Grant	26,744		22,200		21,200	
	940,313	Total Funding		905,648		887,606		870,924

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Appendix 3 - Directorate specific A-Z Service Analysis

Growth, Environment & Transport

Row Ref	2014-15 Revised Base	Service	2015-16 Proposed Budget							Affordable Activity
	Net Cost		Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
		Children's Services								
		<i>Education and Personal</i>								
1	52.6	14 to 24 year olds	95.2	16.7	111.9	0.0	-59.3	0.0	52.6	A range of services for young people including preparation for employment, vocational training, apprenticeships, Skills Force and raising the age of statutory education to 18.
		Community Services								
2	2,131.8	Arts & Culture Development (including grant to Turner Contemporary)	381.8	1,600.0	1,981.8	0.0	0.0	0.0	1,981.8	Provides strategic leadership to the arts and culture sector in Kent through funding, commissioning, partnership working and leverage of funds to ensure the arts contribute fully to the Kent economy. The service manages Kent Film Office, and oversees Turner Contemporary arrangements; as well as organising programmes and providing grants to Arts organisations and festivals. The service has levered in over £11m into the Kent economy for each of the last two years.
3	236.1	Gypsies and Travellers	266.2	294.1	560.3	0.0	-424.4	0.0	135.9	Responsible for securing suitable local authority and other accommodation provision for Gypsies and Travellers in Kent. The Unit currently manages 10 local authority sites, containing 168 pitches.

Appendix 3 - Directorate specific A-Z Service Analysis

Growth, Environment & Transport

Row Ref	2014-15 Revised Base	Service	2015-16 Proposed Budget							
	Net Cost		Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	Affordable Activity
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
4	13,365.1	Libraries, Registration and Archives Services	12,515.8	5,216.9	17,732.7	-393.0	-5,182.6	0.0	12,157.1	<p>Libraries Service: Service delivered online and from 99 fixed libraries and 11 mobile vans, issuing approx. 5.67 million items (mostly books); supporting 6.1 million physical visits, 941,000 virtual visits; 649,000 hours of free public PC use; 1,540 home library service customers; 1,130 blind and partially sighted Postal Loan service customers and 4,500 clients in Prison Library service.</p> <p>Archives Service: 13,000 documents produced for researchers at Kent History and Library Centre; 16,000 archive documents accessed digitally and the management of 1,432 cubic metres of manuscript collections.</p> <p>Registration Service: Over 28,400 births and deaths registered; over 5,800 ceremonies registered and conducted (mostly marriage ceremonies) and 4,300 new citizens naturalised.</p>
5	800.2	Sports Development	679.2	1,034.3	1,713.5	-83.0	-1,011.0	0.0	619.5	<p>Lead the development of sport and physical activity in Kent through managing the Strategic Framework for sport; managing the Kent School Games; generating external funding; working with Public Health, and directing the County Sports Partnership to develop and support coaches, leaders, clubs and governing bodies of sport. The service has levered in more than £7m into the Kent economy over the last three years.</p>

Appendix 3 - Directorate specific A-Z Service Analysis

Growth, Environment & Transport

Row Ref	2014-15 Revised Base	Service	2015-16 Proposed Budget							Affordable Activity
	Net Cost		Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
		Environment								
6	625.6	Country Parks & Countryside Access	1,482.3	898.1	2,380.4	-54.0	-1,627.7	-98.1	600.6	This covers Country Parks, Explore Kent, and Countryside Management Partnerships. There are 17 Country Parks covering 1,750 acres which generate 1.6 million visits per year whilst delivering education, recreation and environmental programmes. The Explore Kent website and brand is managed and content uploaded by this service. Explore Kent, which receives in excess of 375,000 clients visiting the website per annum, promotes getting outdoors and getting active. Countryside Management Partnership is a wholly discretionary, externally funded service, covering a broad remit with partners to help manage habitats and landscapes, linking communities to these areas through volunteering, ecology management, providing recreation, and working with distinct client groups.
7	1,514.4	Environmental Management (incl. Coastal Protection)	1,639.5	1,530.7	3,170.2	-64.5	-1,053.7	-607.6	1,444.4	Delivery of Kent Environment Strategy including Climate Local targets, the Green Deal and support to Low Carbon business through Low Carbon Kent and Low Carbon Plus - saving money through fuel efficiency and supporting the development of the low carbon market. Carbon reduction, biodiversity planning, ecological advice, heritage conservation & planning, coastal conservation, and sustainability & climate change.
8	1,627.9	Public Rights of Way	1,262.1	454.8	1,716.9	0.0	-89.0	0.0	1,627.9	This covers Public Rights of Way (PRoW) , Village Greens and Access Land. PRoW is a statutory service, protecting, maintaining and recording 6,847km of asset (including 2,400 bridges and over 30,000 other items of furniture e.g. direction posts/signs) and maintaining the Definitive Map. Common Land & Village Greens Service maintains the register and deals with planning applications in relation to village greens.

Appendix 3 - Directorate specific A-Z Service Analysis

Growth, Environment & Transport

Row Ref	2014-15 Revised Base	Service	2015-16 Proposed Budget							Affordable Activity
	Net Cost		Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
		Highways								
		<i>Highways Maintenance</i>								
9	3,214.9	Adverse Weather	0.0	3,214.9	3,214.9	0.0	0.0	0.0	3,214.9	Includes provision for 68 salting runs, salting approximately 2,500 km of primary highway routes per run (about 30% of roads in Kent, including all A and B class roads, busy commuter routes and other danger spots), and in cases of prolonged heavy frost, widespread ice or snow, potentially up to a further 15% of the road network (secondary routes), plus restocking 2,300 salt bins.
10	2,020.4	Bridges and other structures	776.8	1,465.2	2,242.0	0.0	-221.9	0.0	2,020.1	Inspection and maintenance of 2,700 bridges and structures and two road tunnels
11	11,981.9	General maintenance and emergency response	3,577.0	6,974.7	10,551.7	0.0	-475.8	0.0	10,075.9	Safety inspections, routine maintenance and minor repair of 8,500km of highway and 5,000km of pavements plus the coordination of all roadworks undertaken by utility companies and KCC contractors
12	2,962.4	Highways drainage	310.0	2,152.4	2,462.4	0.0	0.0	0.0	2,462.4	Safety inspections, routine maintenance, cleansing and minor repair of 250,000 road drainage gullies and soakaways
13	3,677.5	Streetlight maintenance	523.5	2,648.0	3,171.5	0.0	-154.0	0.0	3,017.5	Safety inspections, routine maintenance and minor repair of 120,000 streetlights, lit signs and bollards
		<i>Highways Management</i>								
14	-17.7	Development Planning	1,806.1	311.4	2,117.5	0.0	-2,135.2	0.0	-17.7	Includes developer agreements & developer plans, local development framework, adoption of highways and development control.
15	1,563.4	Highway improvements	1,944.3	-348.1	1,596.2	0.0	-33.3	0.0	1,562.9	Technical support and design of highway resurfacing schemes and other improvement programmes to reduce congestion, improve air quality and help minimise traffic collisions.
16	913.4	Road safety	915.3	1,888.3	2,803.6	-22.0	-1,978.2	-140.0	663.4	Reduce road casualties through education, publicity and training campaigns with engineering improvements and provide funding to support the Kent and Medway Safety Camera Partnership.

Appendix 3 - Directorate specific A-Z Service Analysis

Growth, Environment & Transport

Row Ref	2014-15 Revised Base	Service	2015-16 Proposed Budget							Affordable Activity
	Net Cost		Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
17	5,689.5	Streetlight energy	0.0	6,007.7	6,007.7	0.0	0.0	0.0	6,007.7	Payment for electricity to illuminate 120,000 streetlights, lit signs and bollards.
18	1,880.8	Traffic management	2,752.1	2,491.2	5,243.3	0.0	-3,363.2	0.0	1,880.1	Running costs, safety inspections, routine maintenance, minor repair, energy and communication systems for 700 sets of traffic signals/15,000 traffic lights, 400 electronic message signs and 150 CCTV cameras to provide congestion reduction measures.
19	3,361.5	Tree maintenance, grass cutting and weed control	574.1	2,667.4	3,241.5	0.0	0.0	0.0	3,241.5	Safety inspections, routine maintenance and management of 10 million square metres of grass areas, 500,000 trees, shrubs and hedges.
Planning and Transport Strategy										
20	1,000.6	Planning & Transport Policy	770.8	479.8	1,250.6	0.0	0.0	0.0	1,250.6	Delivery of Growth without Gridlock - developing key strategic transport improvements such as Third Thames Crossing, A21 dualling, solutions to Operation Stack/lorry parking and enhancements to the rail network including new Thanet Parkway Station and reduced journey times to East Kent in particular. Strategic influencing of Government Policy and new infrastructure funding streams, providing transport input to South East Local Enterprise Partnership (SELEP), co-ordinating KCC's responses to Local Plans and Community Infrastructure Levy (CIL) charging schedules, producing the Minerals & Waste Local Plan and the Local Transport Plan.
21	494.4	Planning Applications	899.8	194.6	1,094.4	-354.2	-295.8	0.0	444.4	Delivery of the statutory county planning application service including pre-application advice, consideration and determination of applications and submissions, monitoring and enforcement. (Approximately 650 developments per annum).

Appendix 3 - Directorate specific A-Z Service Analysis

Growth, Environment & Transport

Row Ref	2014-15 Revised Base	Service	2015-16 Proposed Budget							Affordable Activity
	Net Cost		Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
		Public Protection								
22	3,071.9	Community Safety (including Community Wardens)	2,219.0	134.7	2,353.7	0.0	-168.8	0.0	2,184.9	Co-ordinates and manages the delivery of safer and stronger communities - on behalf of the people of Kent. Provides the policy & performance support to the Police & Crime Panel. An establishment of 70 Community Wardens providing a key aspect of local community safety delivery. The Warden service provides a highly visible, reassuring community presence helping to build community resilience.
23	2,566.7	Coroners	1,275.4	2,277.3	3,552.7	0.0	-892.7	0.0	2,660.0	Inquiries into approximately 7,000 violent or unnatural deaths, sudden deaths of unknown cause and deaths which have occurred in prison, resulting in approximately 4,000 post mortems, 3,000 body removals and 800 inquests.
24	1,321.4	Emergency Response & Resilience (including Flood Risk Management)	587.3	738.0	1,325.3	0.0	-167.2	0.0	1,158.1	Delivery of KCC's statutory obligations under the Civil Contingencies Act and the Flood and Water Management Act. Undertaking KCC's responsibilities as Lead Local Flood Authority and delivery of the Local Flood Risk Management Strategy. Delivering corporate responsibilities in emergency planning and business continuity.

Appendix 3 - Directorate specific A-Z Service Analysis

Growth, Environment & Transport

Row Ref	2014-15 Revised Base	Service	2015-16 Proposed Budget							Affordable Activity
	Net Cost		Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
25	2,867.2	Trading Standards (including Kent Scientific Services)	2,865.8	898.9	3,764.7	-50.0	-964.8	0.0	2,749.9	Promoting and protecting a fair and safe trading environment to allow Kent business to flourish; protecting consumers from illegitimate trading, especially the blight of Rogue Traders and Scammers who target the vulnerable; providing advice to businesses; reducing the impact of harmful and age restricted goods to the young; protecting the security and traceability of the food chain, ensuring dangerous goods are stored safely and preventing the spread of animal disease and suffering. This all contributes to the wider agendas of reducing crime; supporting business and improving public health. Kent Scientific Services, a laboratory undertaking statutory analysis of food imports and food testing, and calibration services linked to the work of Trading Standards. It also provides toxicology services to Coroners. Kent Scientific Services, a laboratory, undertakes statutory analysis of food imports, calibration services linked to the work of Trading Standards and provides toxicology services to Coroners.
Regeneration & Economic Development										
26	3,466.4	Regeneration & Economic Development Services	2,453.6	2,406.0	4,859.6	-100.0	-1,406.5	-259.3	3,093.8	Staff and project work on regeneration initiatives including Visit Kent, Locate in Kent, Produced in Kent, International affairs and Hardelot training centre etc.
Schools' Services										
27	445.4	Other Schools' Services	381.4	64.0	445.4	0.0	0.0	0.0	445.4	Crossing Patrols, collective licences, provision of temporary mobile classrooms, coordination of cleaning and refuse contracts, planned maintenance agreements, legionella work, asbestos and condition surveys.
Transport Services										
28	16,979.0	Concessionary Fares	0.0	16,206.0	16,206.0	0.0	-27.0	0.0	16,179.0	Approximately 17.4 million free bus journeys for elderly people

Appendix 3 - Directorate specific A-Z Service Analysis

Growth, Environment & Transport

Row Ref	2014-15 Revised Base	Service	2015-16 Proposed Budget							Affordable Activity
	Net Cost		Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
29	7,641.3	Subsidised Socially Necessary Bus Services (including Kent Karrier)	0.0	9,077.0	9,077.0	-411.5	-645.5	-1,128.7	6,891.3	Support for over 200 otherwise uneconomic bus routes and payment of Bus Service Operators grant in relation to tendered services. Kent Karrier is the County's Dial-a-Ride transport service; membership is for those that cannot use conventional public transport because of disability or rural location.
30	1,271.7	Transport Operations	1,392.6	93.6	1,486.2	-33.5	-181.0	0.0	1,271.7	Arrangement, provision and monitoring of socially necessary local buses, home to school transport and public transport information
31	333.4	Transport Planning	341.0	911.2	1,252.2	0.0	-25.0	-893.8	333.4	Improve public transport and access to key services.
32	8,757.5	Young Person's Travel Pass	0.0	11,603.5	11,603.5	0.0	-4,596.0	0.0	7,007.5	25,000 passes issued to young people aged 11 to 16 for eligible bus travel in Kent.
		Waste Management								
33	906.2	Waste Compliance, Commissioning and Contract Management	662.6	243.5	906.1	0.0	0.0	0.0	906.1	Responsibility for the strategic management, commissioning and compliance delivery of core waste management services, including the statutory duty to undertake the treatment and disposal of household waste in Kent.
34	603.7	Partnerships & development	375.7	396.0	771.7	0.0	-168.0	0.0	603.7	Collaborative working with the Environment Agency and other local authorities, including Kent District Councils, undertake enforcement activities and public campaigns to manage demand, reduce overall waste volumes and increase recycling.
35	651.0	Closed Landfill Sites	104.0	653.0	757.0	0.0	-16.0	0.0	741.0	Pollution monitoring and control of 19 closed landfills to ensure public safety and environmental protection is maintained.
		Waste Processing								
36	4,651.0	Landfill Tax	0.0	4,758.0	4,758.0	0.0	0.0	0.0	4,758.0	Unavoidable tax on waste disposed of via landfill

Appendix 3 - Directorate specific A-Z Service Analysis

Growth, Environment & Transport

Row Ref	2014-15 Revised Base	Service	2015-16 Proposed Budget								
	Net Cost		Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	Affordable Activity	
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s		
37	15,787.2	Operation of Waste Facilities	65.0	15,501.3	15,566.3	0.0	-1,832.0	0.0	13,734.3	Contracts for the provision of statutory waste services for Kent's residents, which includes 18 Household Waste Recycling Centres, attracting approximately 3.5 million visitors per year, and 7 transfer facilities to provide local disposal points for the efficient delivery of District Council collection services, together with associated bulk haulage contracts.	
38	6,139.0	Payments to Waste Collection Authorities (District Councils)	0.0	6,298.5	6,298.5	0.0	-102.0	0.0	6,196.5	Payments to support recycling initiatives that reduce the amount of waste that would otherwise have to be disposed of through more costly routes, e.g. landfill	
39	7,119.0	Recycling Contracts and Composting	0.0	7,225.4	7,225.4	0.0	-1,247.0	0.0	5,978.4	Recycling and composting 336,000 tonnes (49.8%) of household waste	
40	30,966.0	Treatment and disposal of residual waste	0.0	31,869.1	31,869.1	-156.0	-14.0	0.0	31,699.1	Treatment and/or disposal of 339,000 tonnes of residual household waste produced in Kent, which is neither recyclable or compostable, either through waste to energy recovery (300,000 tonnes) and/or landfill (39,000 tonnes). Removal and disposal of approximately 170 abandoned vehicles.	
41	174,641.7	Total Direct Services to the Public	45,895.3	152,548.1	198,443.4	-1,721.7	-30,558.6	-3,127.5	163,035.6		
		<u>Management, Support Services and Overheads</u>									
		Directorate Management and Support for:									These budgets include the directorate centrally held costs, which include the budgets for, amongst other things, the strategic directors and heads of service.
42	4,714.1	Growth, Environment & Transport (GE&T)	2,036.9	2,135.0	4,171.9	0.0	-93.6	0.0	4,078.3		
43	4,714.1	Total Management, Support Services and Overheads	2,036.9	2,135.0	4,171.9	0.0	-93.6	0.0	4,078.3		
44	179,355.8	TOTAL	47,932.2	154,683.1	202,615.3	-1,721.7	-30,652.2	-3,127.5	167,113.9		

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Row Ref	GROWTH, ENVIRONMENT & TRANSPORT						
	SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY YEAR						
			Three Year Budget £'000	Cash Limits			
				2015-16 £'000	2016-17 £'000	2017-18 £'000	
	Rolling Programmes	Description of Project					
1	Country Parks Access and Development	Improvements and adaptations to country parks	180	60	60	60	
2	Management and Modernisation of Assets - Vehicles	To purchase vehicles and equipment for libraries	330	110	110	110	
3	Public Rights of Way	Structural Improvements of public rights of way	2,585	915	835	835	
4	Public Sports Facilities Improvement Capital Grant	Capital grants for the new provision/refurbishment of sports facilities and projects in the community	300	100	100	100	
5	Village Halls and Community Centres - Capital Grants	Capital Grants for improvements and adaptations to village halls and community centres	800	300	300	200	
6	Highway Major Enhancement / Other Capital Enhancement / Bridge Assessment and Strengthening*	Maintaining Kent's roads	81,768	26,661	27,932	27,175	
7	Integrated Transport Schemes under £1 million*	Improvements to road safety	10,168	3,968	3,100	3,100	
8	Major Schemes - Preliminary Design Fees	Preliminary design of new roads	100	100			
9	Total Rolling Programmes		96,231	32,214	32,437	31,580	

Row Ref	GROWTH, ENVIRONMENT & TRANSPORT							
	SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY YEAR							
			Total Cost of Scheme £'000	Previous Spend £'000	Cash Limits			
					2015-16 £'000	2016-17 £'000	2017-18 £'000	Later Years £'000
	Individual Projects	Description of Project						
10	<i>Dartford Library Plus</i>	Dartford Library modernisation and integration with Social Care services and the museum	434		434			
11	<i>Southborough Hub</i>	Re-provision of library within new Southborough Hub	250		250			
12	<i>Tunbridge Wells Cultural Hub</i>	Development of a cultural and learning hub in partnership with Tunbridge Wells Borough Council	2,000			1,000	1,000	
13	<i>Cheesemans Green Library, Ashford</i>	Planned provision of a new library and community centre in line with development growth	350				350	
14	<i>Broadband</i>	To provide 90% of Kent's properties with superfast broadband services by 2015	21,464	11,701	9,763			
15	<i>Superfast Extension Programme (SEP)</i>	Further extension of superfast broadband across Kent	11,200			6,272	4,928	
16	<i>Folkestone Heritage Quarter</i>	Public realm improvement works to Folkestone Old Town	1,465	712	680	73		
17	<i>LIVE Margate</i>	Replace empty and poorly managed housing in Margate with high quality and well managed family housing to regenerate the area	7,000	2,968	4,032			
18	<i>Empty Property Initiative</i>	To expand the existing Empty Property Initiative (No Use Empty) to include the return of larger-sized empty properties back as affordable rented homes and explore the potential to include commercial buildings and sites	16,538	11,538	2,500	2,500		
19	<i>No Use Empty - Rented Affordable Homes</i>	To expand the existing Empty Property Initiative offer to return large family-sized empty properties back into use as affordable rented homes	1,442	1,000	442			
20	<i>No Use Empty - Rented Affordable Homes Extension</i>	A continuation of the existing No Use Empty Rented Affordable Homes offer to return large family sized empty properties back into use as affordable rented homes	1,795		673	673	449	
21	<i>Regional Growth Fund - Expansion East Kent</i>	Grant received to be used to fund a programme of financial support to businesses in East Kent for investments that will lead to job creation	35,000	32,859	2,141			

GROWTH, ENVIRONMENT & TRANSPORT

SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY YEAR

Row Ref			Total Cost of Scheme £'000	Previous Spend £'000	Cash Limits			
					2015-16	2016-17	2017-18	Later Years
					£'000	£'000	£'000	£'000
	Individual Projects	Description of Project						
22	Regional Growth Fund - Journey Time Improvement (JTI)	Grant received to be used to fund improving rail services between Ramsgate and Ashford	4,556	330	3,577	649		
23	Rendezvous Hotel	Construction of a hotel	15,750				15,750	
24	TIGER	Grant received providing financial support to business in Dartford, Gravesham, Medway, Swale and Thurrock for investments that will lead to job creation	14,500	11,978	2,522			
25	Escalate	Grant received providing financial support to business in West Kent and East Sussex for investments that will lead to job creation	5,500	5,189	311			
26	Energy and Water Efficiency Investment Fund - External	Energy Efficiency works	1,611	1,203	185	118	105	
27	Energy Reduction and Water Efficiency Investment - KCC	Energy Efficiency works	1,893	1,535	138	113	107	
28	Sandwich Sea Defences	Contribution to sea defence	3,640	3,205	435			
29	Flood Defences	Improving flood defences, primarily at Leigh Barrier and River Beult.	34,000					34,000
30	TS/HWRC - Swale (Church Marshes)	Construction of Transfer Station and Household Waste Recycling Centre	3,380	600	2,780			
31	East Kent Access Phase 2 - Major Road Scheme	Construction of East Kent Access Road	86,249	83,325	2,524	400		
32	Kent Thameside Strategic Transport Programme	Strategic highway improvement in Dartford & Gravesham	107,024	400	430	600	8,590	97,004
33	Rathmore Road Link	Road Improvement scheme	9,500	1,218	1,530	6,197	555	
34	North Farm Longfield Road, Tunbridge Wells	Road scheme to relieve congestion	7,350	6,329	1,021			
35	Rushenden Link (Sheppey) - Major Road Scheme	Construction of link road	11,468	10,859	609			
36	Sittingbourne Northern Relief Road - Major Road Scheme	Construction of relief road	31,525	29,141	1,418	717	249	

Row Ref	GROWTH, ENVIRONMENT & TRANSPORT							
	SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY YEAR							
			Total Cost of Scheme £'000	Previous Spend £'000	Cash Limits			
					2015-16 £'000	2016-17 £'000	2017-18 £'000	Later Years £'000
	Individual Projects	Description of Project						
37	Westwood Relief Strategy - Poorhole Lane Improvement	Road scheme to relieve congestion	4,808	4,373	435			
38	Thanet Park Way	Construction of Parkway Station	14,000	1,150	1,000	1,850	4,000	
39	Lorry Park	Construction of lorry park	14,700	10	1,990	500	3,200	
40	Street Lighting Column - Replacement Scheme	Street lighting column replacement	3,750	2,500	1,250			
41	Sandwich Highways Depot	Relocation of East Kent Highways depot	3,000			3,000		
42	A28 Chart Road, Ashford	Strategic highway improvement	32,800	660	1,340	1,660	4,630	
43	Orchard Way Railway bridge, Ashford	Strategic highway improvement	15,000				15,000	
44	A228 Colts Hill Strategic Link - Major Road Scheme	Construction of bypass	25,000				25,000	
45	South East Maidstone Strategic Link - Major Road Scheme	Construction of bypass	35,000				35,000	
46	Eurokent Road (East Kent)	Construction of new road in Westwood, Thanet	6,114	6,052	62			
47	LED Conversion	Upgrading street lights to more energy efficient LED bulbs	40,000		4,000	10,000	10,000	
48	M20 Junction 4 Eastern over bridge	Carriageway widening	4,800	225	2,800	1,775		
49	A26 London Road/Speldhurst Road/Yew Tree Road/Junction Improvements, Tunbridge Wells	Junction improvements	2,000		1,200	800		
50	Sturry Link Road, Canterbury	Construction of bypass	18,600		250	750	2,450	
51	A28 Sturry Road Integrated transport package, Canterbury	Construction of bus lane	550	30	520			

GROWTH, ENVIRONMENT & TRANSPORT

SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY YEAR

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme £'000	Previous Spend £'000	Cash Limits			
					2015-16 £'000	2016-17 £'000	2017-18 £'000	Later Years £'000
					52	<i>West Kent local sustainable transport - tackling congestion</i>	Package of measure to reduce congestion and carbon foot print	5,265
53	<i>Maldstone Gyratory Bypass</i>	Junction Improvements	5,700		500	5,200		
54	<i>Kent Strategic Congestion management programme across growth areas</i>	Package of measure to reduce congestion and carbon foot print	4,800		800	800	800	2,400
55	<i>M20 Junction 10a (Highway Agency Scheme)</i>	Junction Improvement project managed by the Highways Agency	70,000	1,000	5,000	34,000	30,000	
56	<i>Sustainable access to Maldstone employment areas</i>	Traffic free cycle route from urban fringes into central Maldstone	2,850	100	820	1,930		
57	<i>Sustainable access to Education & employment</i>	Targeted Improvements to Public Rights of Way	1,200		200	200	200	600
58	<i>Tonbridge town centre regeneration</i>	Town centre Improvements	2,640		2,220	420		
59	<i>Kent Thameside LSTF - Integrated door-to-door Journeys</i>	Package of measure to reduce congestion	4,511		2,428	485	475	1,123
60	<i>Kent Sustainable Interventions programme for growth</i>	Highway Improvements	3,000		500	500	500	1,500
61	<i>Richborough Landfill Site</i>	Replacement of Bailey Bridge and address Leachate problems	400	200	200			
62	<i>Sturry Rd Landfill Site</i>	Replacement of water treatment plant	199	49	150			
63	<i>Folkestone Seafront onsite Infrastructure and engineering works</i>	Resurfacing works	500		500			
64	<i>Sittingbourne Town Centre regeneration</i>	Public realm and highway improvements to be delivered by Swale Borough Council	4,500		4,500			

Row Ref	GROWTH, ENVIRONMENT & TRANSPORT						
	SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY YEAR						
			Total Cost of Scheme £'000	Previous Spend £'000	Cash Limits		
					2015-16 £'000	2016-17 £'000	2017-18 £'000
	Individual Projects	Description of Project					
65	<i>Middle Deal Transport Improvements</i>	Public realm and highway improvements to be delivered by Dover District Council	1,500		1,500		
66	Total Individual Projects		764,071	232,439	73,525	83,637	88,683
67	Directorate Total		860,302	232,439	105,739	116,074	120,263
							285,787

Italic font: these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.

* Estimates have been included for 2015-16, 2016-17 and 2017-18.

	Total Cost of Scheme £'000	Previous Spend £'000	Cash Limits			
			2015-16 £'000	2016-17 £'000	2017-18 £'000	Later Years £'000
Funded by:	£'000	£'000	£'000	£'000	£'000	£'000
Borrowing	76,277	19,494	22,914	12,239	15,111	6,519
Grants	481,689	179,236	59,628	77,486	55,584	109,755
Developer Contributions	135,190	4,485	9,132	1,477	18,639	101,457
Other External Funding	152,387	21,512	11,835	21,463	30,521	67,056
Revenue and Renewals	3,163	1,460	298	193	1,212	0
Capital Receipts	11,596	6,252	1,932	3,216	-804	1,000
PFI	0					
Total:	860,302	232,439	105,739	116,074	120,263	285,787

GROWTH, ENVIRONMENT & TRANSPORT

SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY FUNDING

		Three Year Budget	2015-18 Funded By:								Total 2015-18
			Borrowing	PEF2	Grants	Dev Contra	Other External Funding	Revenue & Renewals	Capital Receipts	PFI	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
ROLLING PROGRAMMES											
1	Country Parks Access and Development	180							180		180
2	Management and Modernisation of Assets - Vehicles	330	330								330
3	Public Rights of Way	2,585			2,585						2,585
4	Public Sports Facilities Improvement - Capital Grant	300	300								300
5	Village Halls and Community Centres - Capital Grants	800	600			200					800
6	Highway Major Enhancement / Other Capital Enhancement / Bridge Assessment and Strengthening*	81,768	-1,550		83,318						81,768
7	Integrated Transport Schemes under £1 million*	10,168			9,258	910					10,168
8	Major Schemes - Preliminary Design Fees	100			100						100
9	Land compensation and Part 1 claims arising from completed projects	0	-1,933		1,933						0
10	Total Rolling Programmes	96,231	-2,253	0	97,194	1,110	0	0	180	0	96,231

Row Ref	GROWTH, ENVIRONMENT & TRANSPORT											
SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY FUNDING												
2015-18 Funded By:												
	Total cost of scheme	Previous Spend	Borrowing	PEF2	Grants	Dev Contra	Other External Funding	Revenue & Renewals	Capital Receipts	PFI	Total 2015-18	Later Years
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
INDIVIDUAL PROJECTS												
11	Dartford Library Plus	434		120		180	9		125		434	
12	Southborough Hub	250				3			247		250	
13	Tunbridge Wells Cultural Hub	2,000				400			600		1,000	1,000
14	Cheesemans Green Library, Ashford	350									0	350
15	Broadband	21,464	11,701	9,763							9,763	
16	Superfast Extension Programme (SEP)	11,200		3,616	5,600			1,000	984		11,200	
17	Folkestone Heritage Quarter	1,465	712				753				753	
18	LIVE Margate	7,000	2,968	4,032							4,032	
19	Empty Property Initiative	16,538	11,538	-2,500			7,500				5,000	
20	No Use Empty - Rented Affordable Homes	1,442	1,000				442				442	
21	No Use Empty - Rented Affordable Homes Extension	1,795		1,000	795						1,795	
22	Regional Growth Fund - Expansion East Kent	35,000	32,859		2,141						2,141	
23	Regional Growth Fund - Journey Time Improvement (JTI)	4,556	330		4,226						4,226	
24	Rendezvous Hotel	15,750			5,750		10,000				15,750	
25	TIGER	14,500	11,978		2,522						2,522	
26	Escalate	5,500	5,189		311						311	
27	Energy and Water Efficiency Investment Fund - External	1,611	1,203	63				345			408	
28	Energy Reduction and Water Efficiency Investment - KCC	1,893	1,535					358			358	
29	Sandwich Sea Defences	3,640	3,205	435							435	
30	Flood Defences	34,000										34,000
31	TG/HWRC - Swale (Church Marshes)	3,380	600	2,780							2,780	
32	East Kent Access Phase 2 - Major Road Scheme	86,249	83,325	1,550	1,374						2,924	
33	Kent Thameside Strategic Transport Programme	107,024	400		7,830	1,790					9,620	97,004
34	Rathmore Road Link	9,500	1,218		7,982				300		8,282	
35	North Farm Longfield Road, Tunbridge Wells	7,350	6,329			1,021					1,021	
36	Rushenden Link (Sheppey) - Major Road Scheme	11,468	10,859	-1,370			1,979				609	

Row Ref	GROWTH, ENVIRONMENT & TRANSPORT												
SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY FUNDING													
		2015-18 Funded By:											
	Total cost of scheme	Previous Spend	Borrowing	PEF2	Grants	Dev Contra	Other External Funding	Revenue & Renewals	Capital Receipts	PFI	Total 2015/18	Later Years	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
INDIVIDUAL PROJECTS													
37	Sittingbourne Northern Relief Road - Major Road Scheme	31,525	29,141				2,384				2,384		
38	Westwood Relief Strategy - Poorhole Lane Improvement	4,808	4,373				435				435		
39	Thanet Park Way	14,000	1,150	358		4,000		2,492			6,850	6,000	
40	Lorry Park	14,700	10	4,690				1,000			5,690	9,000	
41	Street Lighting Column - Replacement Scheme	3,750	2,500						1,250		1,250		
42	Sandwich Highways Depot	3,000							3,000		3,000		
43	A28 Chart Road, Ashford	32,800	660	3,630		2,000	2,000				7,630	24,510	
44	Orchard Way Railway bridge, Ashford	15,000									0	15,000	
45	A226 Colts Hill Strategic Link - Major Road Scheme	25,000									0	25,000	
46	South East Maidstone Strategic Link - Major Road Scheme	35,000									0	35,000	
47	Eurokent Road (East Kent)	6,114	6,052					2,654	-2,592		62		
48	LED Conversion	40,000		24,000							24,000	16,000	
49	M20 Junction 4 Eastern over bridge	4,800	225			2,190	2,385				4,575		
50	A26 London Road/Speldhurst Road/Yew Tree Road/Junction Improvements, Tunbridge Wells	2,000				1,800	200				2,000		
51	Sturry Link Road, Canterbury	18,600				3,450					3,450	15,150	
52	A26 Sturry Road Integrated transport package, Canterbury	550	30			300	220				520		
53	West Kent local sustainable transport - tackling congestion	5,265				2,945	170				3,115	2,150	
54	Maldstone Gyratory Bypass	5,700				4,560		1,140			5,700		
55	Kent Strategic Congestion management programme across growth areas	4,800				2,400					2,400	2,400	
56	M20 Junction 10a (Highway Agency scheme)	70,000	1,000			19,700	16,200	33,100			69,000		
57	Sustainable access to Maldstone employment areas	2,850	100			2,000		750			2,750		
58	Sustainable access to Education & employment	1,200				600					600	600	
59	Tonbridge town centre regeneration	2,640				2,390			250		2,640		

Row Ref	GROWTH, ENVIRONMENT & TRANSPORT												
SECTION 3 - CAPITAL INVESTMENT PLANS 2015-16 TO 2017-18 BY FUNDING													
		2015-18 Funded By:											
		Total cost of scheme	Previous Spend	Borrowing	PEF2	Grants	Dev Contrs	Other External Funding	Revenue & Renewals	Capital Receipts	PFI	Total 2015/18	Later Years
INDIVIDUAL PROJECTS		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
60	<i>Kent Thameside LSTF - Integrated door-to-door journeys</i>	4,511				3,388						3,388	1,123
61	<i>Kent Sustainable Interventions programme for growth</i>	3,000				1,500						1,500	1,500
62	<i>Richborough Landfill Site</i>	400	200	200								200	
63	<i>Sturry Rd Landfill Site</i>	199	49	150								150	
64	<i>Folkestone Seafront onsite Infrastructure and engineering works</i>	500				500						500	
65	<i>Sittingbourne Town Centre regeneration</i>	4,500				2,500		2,000				4,500	
66	<i>Middle Deal Transport Improvements</i>	1,500				750	750					1,500	
67	Total Individual Projects	764,071	232,439	52,517	0	95,504	28,138	63,819	1,703	4,164	0	245,845	285,787
68	TOTAL CASH LIMIT	860,302	232,439	50,264	0	192,698	29,248	63,819	1,703	4,344	0	342,076	285,787

Italic font: these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.

* Estimates have been included for 2015-16, 2016-17 and 2017-18.

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Analysis of the responses to the 3 consultation questions

In total 1,979 responses were submitted. Generally the views expressed remained largely consistent throughout the 51 day consultation period

Question 1: Council Tax			
To preserve the most valued services (especially those we aren't required to provide by law) we are planning to raise additional income through council tax (note this would not entirely remove the need for savings as this would require a 19% increase in council tax). What would you prefer? Please select one option only:			
	Frequency	Percentage	Valid Percentage
a) I don't want an increase in council tax and the council should make more savings to balance the budget.	484	24%	25%
b) I'd accept a minimal increase of 1.99% (1.99% would increase band C charge by £19 a year—the maximum increase allowed without a referendum).	876	44%	44%
c) I'd accept a rise between 2% to 5% rise in order to protect more services from the reductions in funding (this would require a referendum and each 1% would increase band C charge by £9.50 a year).	450	23%	23%
d) I'd accept an increase in excess of 5% to provide greater protection for council services.	159	8%	8%
Left blank / No response	10	1%	
Total	1979	100%	100%

Question 2: Savings over the next three years			
What approaches should we adopt to making these savings? Please tick one or more options:			
	Frequency	Percentage	Valid Percentage
a) Find more efficient ways to deliver the same level of service at a lower cost e.g. by buying in more services from the private and voluntary sectors, sharing services with other public agencies, etc.	770	26%	26%
b) Transform services so they are delivered in a different way with the same or better outcomes at reduced cost e.g. rely more on digital services rather than telephone or face to face contact, support social care clients so they can avoid residential care.	998	34%	34%
c) Remove or stop services which are least valued by Kent residents as identified through evidence-based research.	759	26%	26%
d) Restrict access to services to only the most needy	254	9%	9%
e) None of the above	144	5%	5%
Left blank / No response	20	1%	
Total	2945	100%	100%

Note respondents could choose more than 1 option for this question hence the higher number of responses

Question 3: balance of savings for 2015/16			
We have yet to identify around £7.5m of the savings estimated to be needed to balance the 2015/16 budget. What approach do you think the council should take to close this gap? Please select one option only:			
	Frequency	Percentage	Valid Percentage
a) Increase council tax by a further 1.5% (in addition to the 1.99% already mentioned). Note – this would require a formal and binding referendum which could cost in the region of £1.5m.	176	9%	9%
b) Use money held in the council's reserves. Note – our level of reserves is low compared with other similar councils.	167	8%	9%
c) Raise additional income from other sources e.g. charges for services, tackling council tax avoidance, etc.	842	43%	43%
d) Deliver more savings from the areas identified in question 2.	365	18%	19%
e) Introduce a pay / price freeze for KCC staff / suppliers.	236	12%	12%
f) Other (please specify)	175	9%	9%
Left Blank / No response	18	1%	
Total	1979	100%	100%

Analysis from 853 responses to on-line budget tool and 514 responses to consultants e-mail survey using the same tool

		Overall Appeal
GROWTH, ENVIRONMENT & TRANSPORT	100 miles of road gritted in bad weather over the course of the winter	8.59%
ADULT SOCIAL CARE	2 ½ weeks of residential care for one older person whose needs are judged substantial or critical and who cannot meet the full costs themselves	8.40%
ADULT SOCIAL CARE	69 hours of home care for an older person whose needs are judged moderate or substantial and who cannot meet the full costs themselves	8.18%
SPECIALIST CHILDREN'S	2 weeks of foster care for a child who cannot live safely at home, provided by a KCC registered foster carer	7.66%
SPECIALIST CHILDREN'S	1 week of foster care for one child who cannot live safely at home and whose needs are greater than those that can be met by a KCC registered foster carer	7.19%
GROWTH, ENVIRONMENT & TRANSPORT	30 average sized potholes in the road repaired	6.61%
GROWTH, ENVIRONMENT & TRANSPORT	10 tonnes of waste disposed of, enough to support 17 average Kent Households	5.75%
ADULT SOCIAL CARE	4 days of residential care for one adult with learning disabilities whose needs cannot be met by family or other carers	5.42%
EDUCATION & YOUNG PEOPLE	1 week's support for 150 children in children's centres	5.32%
SOCIAL CARE	1 week of social worker time for the assessment of vulnerable adults or children	5.23%
ADULT SOCIAL CARE	100 hours of support and assistance for vulnerable people not assessed as needing formal care packages to help promote their independent living	5.06%

		Overall Appeal
ADULT SOCIAL CARE	4 weeks of Learning Disability Direct Payments to someone with learning disabilities to enable them to live more independently	3.96%
GROWTH, ENVIRONMENT & TRANSPORT	22 faulty street lights investigated and repaired	3.62%
GROWTH, ENVIRONMENT & TRANSPORT	Keeps a household waste recycling centre open for a day	2.72%
GROWTH, ENVIRONMENT & TRANSPORT	Approximately 500 fare paying journeys on subsidised bus routes which are considered "socially necessary but uneconomic routes"	2.58%
EDUCATION & YOUNG PEOPLE	2 days of specialist advisor support for a school identified as failing by Ofsted	2.72%
EDUCATION & YOUNG PEOPLE	4 children given free transport on buses or trains to and from their nearest secondary school for one term, where the school is more than three miles from their home	2.13%
EDUCATION & YOUNG PEOPLE	1 child with Special Educational Needs transported by taxi to and from school for 9 weeks	2.06%
EDUCATION & YOUNG PEOPLE	62 attendances by a young person at their local youth centre or interactions with a youth worker in their local community	1.95%
GROWTH, ENVIRONMENT & TRANSPORT	3 annual bus passes for young people aged 11 - 15 to access educational or recreational activities via free bus travel across Kent Monday to Friday	1.74%
CORPORATE	Responding to 280 email or telephone calls to the KCC Contact Centre	1.55%
GROWTH, ENVIRONMENT & TRANSPORT	430 separate library visits, enough for 16 regular library users over the course of a year	1.53%

By: Mark Dance
Cabinet Member Economic Development

To: Growth, Environment Development and Communities Cabinet
Committee – 22 January 2015

Subject: Update on RGF Programmes:-

- Escalate (West Kent and parts of East Sussex)
- Expansion East Kent (East Kent and Ashford)
- Tiger (North Kent and Thurrock)

Classification: Unrestricted

Summary

Since November 2011, the Department of Business, Innovation and Skills (BIS) has allocated £55 million to KCC for three schemes:

- Expansion East Kent (£35 million)
- Tiger (£14.5 million)
- Escalate (£5.5 million)

These schemes provide funds for companies with investment plans that will lead to job creation. This report provides an update on the allocation of funds to companies and the monitoring process for all three schemes.

Recommendation

Members of Growth, Economic Development and Communities Cabinet are asked to NOTE progress to date in delivering the three RGF programmes.

1. Summary of RGF Schemes

- 1.1 As of 31st December 2014, KCC has committed £53.9 million across the three RGF schemes. These schemes are expected to create over 5,300 jobs and attract private investment of over £133.8 million. For the majority of companies the loan finance provided is set at 0% interest with a repayment period of between 5 to 7 years. The contractual agreement with BIS also allows the programmes to offer grants and equity investments in exceptional circumstances. All repayment of loans and returns on Equity Investments will be reinvested into future financial support programmes for businesses and companies across Kent, Thurrock and parts of East Sussex.
- 1.2 The Expansion East Kent Programme was launched in December 2012. As of 31st December 2014 KCC has committed £33.9 million to 75 companies within the local authority areas of Ashford, Canterbury, Dover, Shepway and Thanet. Companies from the local authority area of Ashford were invited to apply to the programme in July 2014.

- 1.3 The Tiger Programme for North Kent and Thurrock was launched in March 2013. As of 31st December 2014 KCC has committed £14.5 million to 46 companies within Dartford, Gravesham, Medway, Swale and Thurrock. The programme is no longer open to any new applicants.
- 1.4 The Escalate Programme for West Kent and parts of East Sussex was launched in December 2013. As of 31st December 2014 KCC has committed £5.5 million to 37 companies and the programme is no longer accepting any new applications.

2. Monitoring Procedures

- 2.1 The contractual monitoring arrangements and processes used are as follows:-
- A legally binding contract agreement is issued to the company with details of the monitoring requirements and templates of the monitoring return form.
 - This contract includes clauses that cover defaults on payments, non return of monitoring forms and other clauses specific to the delivery of the milestones and targets as agreed between the company and KCC.
 - The information and data on the companies is recorded on a bespoke Customer Relationship Management (CRM) and Excel Finance system.
 - The Monitoring returns are requested on a quarterly basis as follows: March, June, September and December.
 - On return of the monitoring form each company will be awarded a RAG rating as appropriate. The status is allocated on the all aspects of the loan agreement terms and conditions i.e Job outputs, expenditure against profile, performance to release loan payments and loan repayment requests.
 - In addition to the quarterly monitoring returns BIS request a BIG4 monthly report on each programme at the 1st of each month.
- 2.2 The operational monitoring tasks for the programmes are as follows:-
- 1) An email is sent to the company approximately 10 days prior to the end of the quarter by the Contracts and Monitoring Officer,
 - 2) The monitoring return requests details of performance, evidence of the expenditure, employment contracts and justification of any shortfall on milestones and targets. They are requested to return the monitoring return within 10 working days.
 - 3) Once the return is received it would be checked for compliance against targets and RAG rated according to the level of risk. The rating is based against the complete return and not assessed against individual elements i.e. jobs created, finance data or progress to date.

- 4) Returns would be prioritised for checking if repayments or defrayments of funds were scheduled.
- 5) For any non-returns a chase up email would be sent and a nil return recorded. The company would therefore receive a RED rating.
- 6) Returns are received during the whole quarter period therefore the position on the returns is updated throughout the period.

2.3 The follow up once the RAG rating has been applied consists of the following:-

- 1) Green Status – acknowledgement to company of full return received and no outstanding issues noted.
- 2) Amber Status – acknowledgement to company of partial return and issues noted with the request for improvements for the next quarter monitoring return
- 3) Red Status – RGF Programme Manager alerted to the RED status and agreement reached with the company if appropriate milestones need reviewing via a variation to contract. This would be dependent on the particular issue of concern and whether the company advised if the profile/milestone could be met at the next quarter.

A Red Status is also given if a company does not return the monitoring form as it is a contractual requirement. A chase up email would be sent giving a further 10 days to submit the monitoring return.

2.4 In addition to the monitoring process undertaken on the companies by the RGF programme team a quarterly monitoring check is carried out by the DCLG Monitoring Officer, These Quarterly monitoring meetings are held with the BIS Contract Manager and the DCLG Monitoring Officer. The DCLG Monitoring Officer will select at each visit a number of company files to review against compliance of contract.

Also KCC Internal Audit Team and an external auditor Grant Thornton are commissioned on an annual basis to carry out audits on the compliance of the process and the administration of the schemes. As of September 2014 the KCC programmes are listed as Amber due to the cautious approach KCC have taken on the payment of funds to companies' i.e in the majority of cases funds are released quarterly and not as one total payment.

3. Delivery of Schemes

Annex 1 provides full details on the delivery of the **Expansion East Kent programme** including totality of funds awarded per local authority, defrayment of

funds, details on the repayment of funds, targets on the number of jobs created and saved posts and company profiles.

Annex 2 provides full details on the delivery of the **Tiger programme** including totality of funds awarded per local authority, defrayment of funds, details on the repayment of funds, targets on the number of jobs created and saved posts and company profiles.

Annex 3 provides full details on the delivery of the **Escalate programme** including totality of funds awarded per local authority, defrayment of funds, details on the repayment of funds, targets on the number of jobs created and saved posts and company profiles.

4. Recommendation

Members of Growth, Economic Development and Communities Cabinet are asked to NOTE progress to date in delivering the three RGF programmes.

Report author: Jacqui Ward
Regional Growth Fund Programme Manager
Jacqui.ward@kent.gov.uk
Tel: 01622-223252

Annex 1

Expansion East Kent Programme

This annex provides full details of the funding awarded to companies within the East Kent and Ashford area from the Expansion East Kent programme.

1. Funding Awarded

The table shows total funding committed, a breakdown per local authority, number of jobs to be created and private sector investment (matched funding).

Expansion East Kent Scheme	Funds Awarded £m	Private Investment £m	No of Companies	No of jobs to be created	Saved posts	Total no of Jobs created/safeguarded posts
Ashford	0.3	0.2	1	10	8	18
Canterbury	7.9	7.6	19	1,385	68	1,453
Dover	11.4	24.9	20	495	230	725
Shepway	4.7	10.0	20	299	220	519
Thanet	3.6	11.7	15	254	83	337
Total	27.9	54.4	75	2,443	609	3,052

NB: Companies from the local authority of Ashford were unable to apply to the scheme until July 2014.

Within the Expansion East Kent scheme there are two additional programmes and the Investment Advisory Board have agreed to ring fence and commit £6 million to the programmes as follows:

Small Business Boost = £1m
Equity Investment Fund = £5m

The Small Business Boost has currently awarded funding to 14 companies.

Total Funding Committed = £33.9m

2. Defrayment of Funds

Each company applying to the programme will provide a profile for the drawdown of funds. This would be dependent on the needs of the businesses and the companies' plans for growth.

The profile for the defrayment of funds is as follows:-

- (a) Funds defrayed as of December 2014 = £17.4m
 (b) Estimated funds to be defrayed March 2015 £35 million =£8.2m
 (c) Estimated funds April 2015 through to March 2016 =£9.4m

3. Profile for Repayments of Funds

All repayment of loans and returns on Equity Investments will be reinvested into future financial support programmes for businesses and companies.

The table below provides details on the repayment profile due to be repaid by March 2021.

2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
£335,294	£927,529 (see below)	£2,629,522	£3,279,072	£3,897,252	£3,034,230

2019/20	2020/21	Total Repayment
£2,619,235	£4,479,705	£21,201,838

There are two loan repayment periods per financial year i.e. September 2014 and March 2015. The estimated amount to be received for the September 2014 period was 776,757.00. The actual amount received as of 30th September 2014 was £773,753.00 which represented an achievement rate of 99.61%.

The remaining funds for the financial year 2014/15 will be received in March 2015.

4. Monitoring Returns

The monitoring returns for the Expansion East Kent programme for the period of September 2014 period have resulted in 55% being allocated Green status (performance fully met as per loan agreement) or Amber status (slight slippage but in the main delivery of job outputs as per loan agreement) are as follows:

No of companies awarded investment	No of companies in monitoring reporting cycle	No of reports received	No of companies in Green Risk Status	No of Companies in Amber Risk Status	No of Companies in Red Risk Status
65	51	33	16 (31%)	12 (24%)	23 (45%)

Companies do not enter the monitoring cycle until contracts have been finalised. Therefore only 51 out of the 65 companies are within the monitoring reporting cycle.

It is important to note there are three categories with the RED status – see table below.

Breakdown of Red Risk Status	Category A Non Payment of Debt	Category B Nil Return of Monitoring Form	Category C Significant shortfall on milestones / targets
No of Companies	3 (5%)	12 (24%)	8 (16%)
Actions to be taken	Formal legal proceedings undertaken	Follow up email	Company under review

The action taken on 23 (45%) companies in Red Status is as follows:

Category A: = 3 Companies have significant issues i.e. failure to repay loan on time – bad debt.

Action taken: All three companies have advised KCC of action taken either voluntary administration or voluntary liquidation. Legal advice sourced on the appropriate action to take and costs of actions.

Category B: = 12 companies - nil return of monitoring form

Action taken: All 12 companies received follow up emails and resulted in 11 monitoring returns still outstanding. The outstanding returns have now been merged with the December 2014 return.

Reasons for non-returns have been – move of premises, administrative errors and loss of paper work, monitoring form placed in junk mail and total overload of work therefore not prioritised.

Category C: = 8 companies - Significant delays in job outputs variation to contracts in hand but not yet finalised with company.

Of the 8 companies under review six companies have agreed to one of the following:-

- additional business support to be provided via High Growth Kent adviser and/or Kent Invicta Chamber of Commerce or other Business Support company;

- the introduction of the use of a non-executive director within the company and increase in the level of communication with RGF Team (monthly or bi-monthly), increase level of communication with Bank Relationship Manager, company and RGF Team;
- the introduction to other RGF supported companies who may be of interest and /or support to the company.

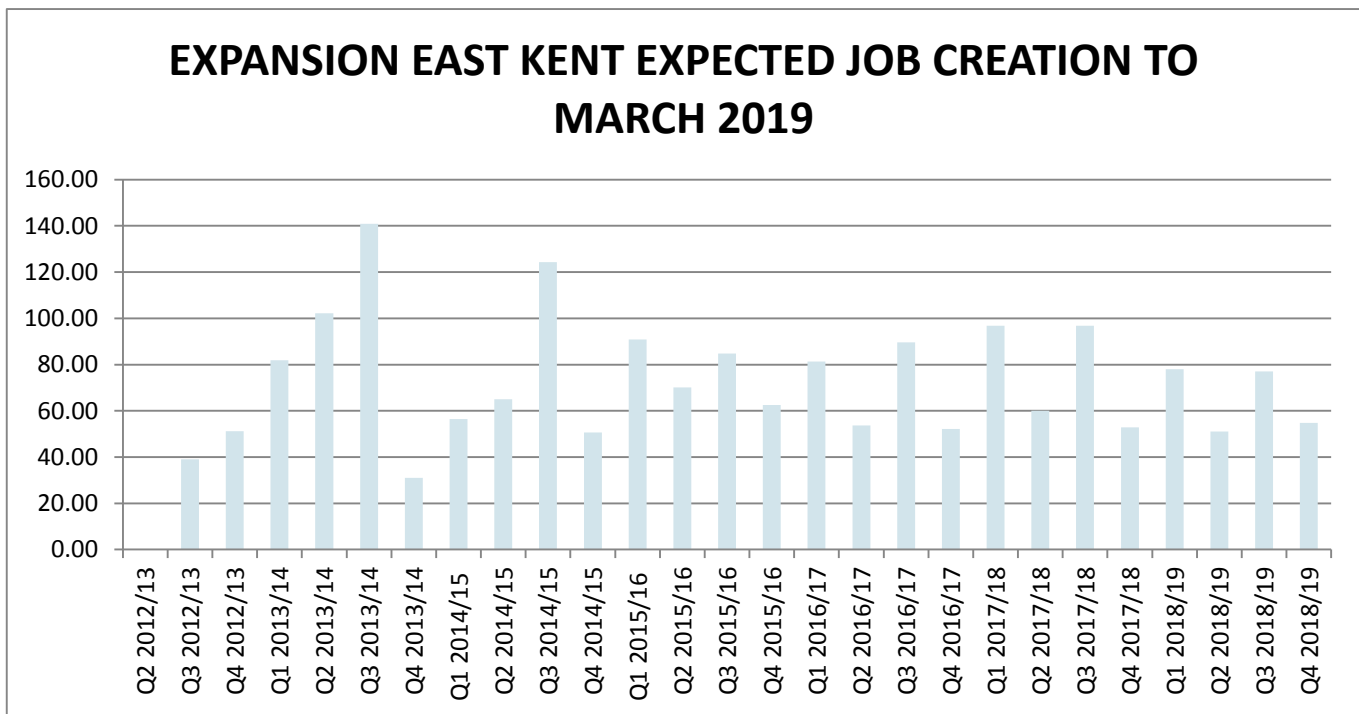
The remaining 2 companies have requested:-

- a variation to contract and a rescheduling of loan repayments.
- non release of further tranche of funding due to lack of private sector investment, Introduction made to Business Support advisor and other investor networks.

The monitoring returns for September 2014 have included evidence i.e. employment contract for the creation of 644 jobs. This figure is profiled to rise to 1,531 jobs by the end of March 2015.

The monitoring returns for the Expansion East Kent programme for the period December 2014 period have yet to be compiled but will be circulated to all members by the end of January 2015.

The following graph provides information of the estimated number of jobs to be created per quarter per year until 2019.



The achievement of job created as of the September 2014 return was 644 jobs.

5. Pen Portraits

The full details of each company who have been awarded funding and been issued with contracts are as follows:-

Canterbury

MiddletonMurray Ltd - Mrs Angela Middleton
(0208 300 6109) - angela@middletonmurray.com
Total ExEK funding approved: £1,021,000.00 Total Jobs: 901.3 (901.3 FTEs)

MiddletonMurray is a recruitment and training company specialising in the training and placing of 16-18 year old young neets as well as unemployed graduates and newly unemployed professionals.

My Deliciously Healthy Kitchen - Mrs Emily Hawkes
(07730-882033) - emshealthykitch@gmail.com
Total ExEK funding approved: £10,000.00 Total Jobs: 5 (5 FTEs)

Offering demonstration led healthy eating cookery lessons with an accompanying website showing the lessons on video so people can cook along at home and have instant access to all the information and recipes taught in the classes. The lessons will be based on easy to learn recipes using fresh, local produce and will include menu planning for budgeting and ideas to eliminate wastage.

Playtime Theatre Company - Mr Nickolas Champion
(01227-266272) - playtime@dircon.co.uk
Total ExEK funding approved: £7,000.00 Total Jobs: 8 (2.24 FTEs)

To purchase an additional van which would be used to transport equipment (props, scenery, lighting and sound) and personnel to venues. To also purchase IT equipment, concomitant software and additional workstation required for additional sales staff.

Quvium UK Limited - Mr Steven Schmidt
(0781 4678517) - sschmidt@quvium.com
Total ExEK funding approved: £500,000.00 Total Jobs: 28 (24 FTEs)

Quvium is focused on developing unique patient-interactive disease management solutions for people who have poorly controlled respiratory diseases so they may avoid dangerous respiratory disease incidents and costly emergency room and hospital visits and adhere to their treatment plans.

Persica Pharmaceuticals Ltd - Mrs Sarah Guest
(01227 833421) - sguestpersica@icloud.com
Total ExEK funding approved: £150,000.00 Total Jobs: 8 (7.25 FTEs)

Persica is a Biotechnology company that is developing a new drug product to treat patients suffering from Chronic Lower Back Pain for which existing treatments and medicines are often ineffective.

Giram UK Ltd (T/A Q'Straint) - Mr James Broadley
(01227-773035) - JBroadley@qstraint.co.uk
Total ExEK funding approved: £900,000.00 Total Jobs: 44 (43.03 FTEs)

Expansion of company developing, manufacturing and supplying effective wheelchair passenger safety solutions for public and private transportation. Funding to purchase specialised research and development equipment and install this in a new suitable property based in the Canterbury area. This will enable us to carry out our research and development within East Kent.

East Kent Automotive - Mr Kirit Parmar
(07715-050878) - kirit@eastkentautomotive.co.uk
Total ExEK funding approved: £150,000.00 Total Jobs: 14 (13.16 FTEs)

East Kent Automotive will provide prestige independent automotive service and maintenance facility by combining two existing successful companies to offering a combined service centre and panelcraft facility.

FutureNova Limited - Mr Mike Casey
(0207 2564148) - mike.casey@futurenova.com
Total ExEK funding approved: £350,000.00 Total Jobs: 19 (17.13 FTEs)

FutureNova developed a new medical grade case for the iPad called the FlipPad. NHS Pre-orders indicate a demand for 2500 FlipPads/Month for UK with Similar requirements from European healthcare sites. This product will provide a mobile medical solution for clinicians.

CGC Leisure LTD - Miss Aurelia Mattioli
(07941-778057) - info@canterburygymnastics.co.uk
Total ExEK funding approved: £45,000.00 Total Jobs: 18 (7.73 FTEs)

Purchasing of a new venue for a gym and dance studio in Canterbury.

Kent Auto Panels Ltd - Mr Graham Furneaux
(01303-228200) - graham.furneaux@kapmotorgroup.co.uk
Total ExEK funding approved: £200,000.00 Total Jobs: 18 (18 FTEs)

This project is to create a high-tech, all makes vehicle service and repair facility in Canterbury. The business will target cost conscious motorists and will offer 'while-u-wait' services but will also be able to carry out involved work and not just 'fast fit' type of work.

Club Burrito - Ms Ruth Linklater
(07500-905321) - clubburrito@gmail.com
Total ExEK funding approved: £36,766.00 Total Jobs: 11 (6.43 FTEs)

To expand its current chain of Mexican fast food café bars, providing high quality fast food with specialist soft drinks and boutique beers, in an informal and stylish atmosphere.

J & J Systems UK Limited - Ms Jacqueline Offen
(01227 371375) - mail@jjsystems.co.uk
Total ExEK funding approved: £57,500.00 Total Jobs: 4 (3.8 FTEs)

Funding will allow this ICT company to purchase a new industrial unit in Hersden, enabling growth of the business. This will allow the retainment of existing staff and the creation of further employees.

Ancon Technologies Limited - Dr Robert Muir
(0122 7811705) - robert.muir@ancontechologies.com
Total ExEK funding approved: £450,000.00 Total Jobs: 17 (16.07 FTEs)

Ancon has developed a revolutionary proprietary technology called Nanotechnology Molecular Tagging (NMT). NMT offers unprecedented sensitivity and selectivity for the detection and measurement of chemicals and biomarkers of diseases in the air.

Interactive Red - Ms Villy Pereboom
(01227-490220) - villy@interactivered.com
Total ExEK funding approved: £40,000.00 Total Jobs: 15 (14.67 FTEs)

Expansion of this web design and development business to increase both the staff team and to develop greater capabilities to undertake different project areas and provide additional services to customers.

Creabilis Ltd - Mr Alex Leech
(01227-830515) - info@creabilis-sa.com
Total ExEK funding approved: £840,000.00 Total Jobs: 50 (49.67 FTEs)

Creabilis is a clinical stage European biotechnology company developing novel treatments for dermatological and inflammatory diseases.

Shearwater Systems Limited - Miss Jane Conner
(07776-236399) - jane.conner@shearwaterhealthcare.com
Total ExEK funding approved: £1,004,433.12 Total Jobs: 77 (74.76 FTEs)

Shearwater will design and develop innovative software to support a burgeoning need for mobile software applications in healthcare. The company will focus on creating Mobile Health Record (MHR) software applications that allow clinicians to work seamlessly between acute hospital and community care settings including the patients home

Tankerton Arms - Mr Nigel Ranger
(01227-779216) - nranger@hotmail.co.uk
Total ExEK funding approved: £10,000.00 Total Jobs: 7 (3.33 FTEs)

To open a micropub in Tankerton following the success or similar ventures in East Kent. It will serve beers from local microbreweries, local ciders and wine provided by a local wine merchant. It will have no music, hot food or spirits with an emphasis on an atmosphere that encourages good conversation.

UK Mobile Bars Limited - Mr Paul Bishop
(01227-830984) - paul@ukmobilebars.com
Total ExEK funding approved: £32,500.00 Total Jobs: 17 (15.6 FTEs)

Formed in 2009, UK Mobile Bars is a mobile bar hire services for weddings, parties and events. Job creation is required to fulfil the growth opportunity in the current new business pipeline and kick start a 5 year growth plan.

Venomtech Ltd - Mr Steven Trim
(01227-827114) - s.trim@venomtech.co.uk
Total ExEK funding approved: £100,000.00 Total Jobs: 7 (7 FTEs)

Venomtech Ltd is the only commercial venom laboratory in the UK, supplying fractionated snake, scorpion and spider venom arrays to the pharmaceutical industry for drug discovery

Dover

Mylan - Dr David Waite
(01304-626217) - David.Waite@mylan.co.uk
Total ExEK funding approved: £413,000.00 Total Jobs: 80 (80 FTEs)

Mylan have the exclusive worldwide rights to develop, manufacture and sell a generic equivalent to Glaxo Smith Kline Advair which is used to treat asthma and chronic obstructive pulmonary disorder (COPD). As a result, Mylan plans to set up a Research & Development Unit of excellence at the Discovery Park in Sandwich focused on respiratory inhalation.

PPR Wipag Ltd - Mr Jonathan Weston
(0130 4219555) - jonathan.weston@pprwipag.com
Total ExEK funding approved: £190,000.00 Total Jobs: 8 (8 FTEs)

PPR Wipag is expanding and investing in to new more efficient plastic recycling machinery and new technologies which will be necessary to increase production and reduce costs per unit.

PurOgenix - Mr Atul Rajani
(0208 878 2684) - atulrajani@dalasbiotech.com
Total ExEK funding approved: £4,800,000.00 Total Jobs: 165 (165 FTEs)

The project entails the set up of a pharmaceutical manufacturing facility in Kent.

Miles and Barr (Dover) Limited - Mr Peter Hickson
(01843-570500) - peterhickson@milesandbarr.co.uk
Total ExEK funding approved: £50,000.00 Total Jobs: 7 (7 FTEs)

The aim of the project is to promote young entrepreneurial prospective business owners to start and grow their own business.

Fudge Kitchen Ltd - Mrs Sian Holt
(01303-864400) - Sian@fudgekitchen.co.uk
Total ExEK funding approved: £110,000.00 Total Jobs: 19 (15.03 FTEs)

Company operates retail units which manufacture handmade fudge and sell to the public. To expand the business a new product has been developed with a view to exporting and also selling as wholesaler meaning additional industrial space is required.

EligoChem Limited - Dr Graham Maw
(01304-648406) - graham@eligochem.com
Total ExEK funding approved: £140,000.00 Total Jobs: 12 (10.5 FTEs)

EligoChem designs, synthesis and markets compound libraries with good drug properties that access novel chemical space for use in drug discovery screening. EligoChem have refined a technology to enable rational design and selection of compounds that can display different physical properties in solution and in biological membranes.

Choochoos Nursery - Ms Karla Tabony
(01227-464230) - info@choochoos.co.uk
Total ExEK funding approved: £40,000.00 Total Jobs: 20 (15.26 FTEs)

The company will provide full-day childcare provision for approximately 50 children from birth to five. Choochoos will offer flexible care and education providing exceptional individual teaching experiences of the highest quality in a safe, friendly, well resourced and caring environment.

Cleantec Innovation - Mr Wayne Simpson
(01843-865358) - wayne@cleantecinnovation.com
Total ExEK funding approved: £85,000.00 Total Jobs: 6 (6 FTEs)

Cleantec Innovation is a small manufacturer looking to expand its operations and create employment in the local area

London Fancy Box Co Ltd - Mr Matthew Lawson
(01304-209922) - m.lawson@londonfancybox.co.uk
Total ExEK funding approved: £385,000.00 Total Jobs: 40 (40 FTEs)

Expansion of manufacturing company producing printed packaging boxes. Funding to support investment in new generation manufacturing machinery to allow growth into additional markets to meet growing demand.

Baypoint Club Ltd - Mr Tony Harrison
(01304-613022) - tonyharrison@baypointclub.co.uk
Total ExEK funding approved: £400,000.00 Total Jobs: 44 (37.7 FTEs)

To enhance and expand the ex Pfizer Sports and Social Club to make it accessible to everyone living and working in East Kent regardless of background or socio economic status with the aim of improving their health and well-being

Creative Minds Nursery Ltd - Ms Esme Chilton
(01304-370310) - esme.chilton@future-creative.org
Total ExEK funding approved: £100,000.00 Total Jobs: 14 (13 FTEs)

This nursery will provide high quality care and education, catering for up to 95 children from 3 months to 5 years old. It will offer holistic creative learning in response to the Early Years Foundation stage and equip children with the skills to support all aspects of development.

Genea Biomedx UK Limited - Mr Kim Giliam
(0130 4897410) - kim.giliam@geneabiomedx.com
Total ExEK funding approved: £1,311,000.00 Total Jobs: 40 (40 FTEs)

With over more than 25 years, Genea has built its reputation as a pioneer of fertility treatment backed by in-house research and technology development. The company has recently agreed to lease a building at Discovery Park, where it will start the process of marketing to the Northern Hemisphere and become a distribution centre.

A.C.Wellard & Partners Ltd - Mr Matt Hayes
(0130 4826880) - matt.hayes@acwellard.co.uk
Total ExEK funding approved: £150,000.00 Total Jobs: 54 (52.66 FTEs)

The core business is the wholesale of fresh fruit and vegetable produce. The project is to expand the business by building new warehouse space, updating facilities and allowing the business to consolidate and expand their position in the industry.

AlgaeCytes Limited - Dr Naz Bashir/John Dodd
(01227-469256) - nazbashir@algaecytes.com
Total ExEK funding approved: £500,000.00 Total Jobs: 22 (21 FTEs)

Algaecytes is a private company founded in 2010, commercialising 25 years of algae research by world leading bio-scientists. It is seeking to raise finance to build 2 demonstration units in Sandwich to produce high purity Omega 3 oils from freshwater algae.

Agalimmune Limited - Dr Stephen Shaw
(0203 3978861) - steve.shaw@agalimmune.com
Total ExEK funding approved: £99,995.00 Total Jobs: 4 (4 FTEs)

Agalimmune Ltd is a research and development company investing in novel therapeutics for cancer. Agalimmune wishes to expand its operations by establishing a new R&D laboratory at Discovery Park, Sandwich.

Sandwich Leisure Limited - Mr Alan Smith
(01304-612681) - info@sandwichleisurepark.co.uk
Total ExEK funding approved: £300,000.00 Total Jobs: 25 (20.13 FTEs)

Investment to allow expansion of successful holiday destination, To improve infrastructures of glamping site to make all year round facilities feasible and provision of lodged accommodation.

TRN - The Research Network Ltd - Dr Andrew McElroy

(01304-648406) - andy.mcelroy@trn.net

Total ExEK funding approved: £100,000.00 Total Jobs: 13 (12.33 FTEs)

TRN is a small pharmaceutical research company based in Sandwich. It is proposed to invest in additional business development in China, India, USA and Europe. It is proposing to invest innovative web-based scientific software to support the TRN collaborative drug research model.

Viking Recruitment Ltd - Mr Stuart Jaenicke

(0300-3038393) - stuartj@vikingrecruitment.com

Total ExEK funding approved: £1,300,000.00 Total Jobs: 72 (68.27 FTEs)

To build a world class training facility for the maritime industry due to meet new business demand because of changes in international legislation. Developing a low carbon building with 3 floors of training suites including breakout areas, an environmental pool for survival training, 120 seat International conference facility including a restaurant and bar.

Shepway

Little Oaks Early Years Ltd - Mrs Julie Ready

(01303-850203) - julie.ready@sky.com

Total ExEK funding approved: £135,000.00 Total Jobs: 17 (14.66 FTEs)

Little Oaks Nursery offers quality childcare to children and families of Shepway. The funding will be used to acquire and improve a freehold property in Hawkinge to replace existing leased premises in Folkestone, thus securing 12 jobs and creating 5 new jobs.

Playbox Pre-School and Nursery Ltd - Mrs Sarah Seymour

(01303 273298) - sarah@playbox-daynursery.co.uk

Total ExEK funding approved: £11,000.00 Total Jobs: 12 (10.17 FTEs)

Playbox Nursery is proposing to purchase a modular building which will be located on the school grounds to accommodate the nursery. With this proposal the nursery will have the opportunity to increase its workforce offering further jobs and also increase the number of places offered to two year olds in September 2014.

Hybrid UKT Airconditioning Ltd – Mr Giuliano Ungarelli

((0203-2868191)) - info@hybrid-ukt.co.uk

Total ExEK funding approved: £625,100.00 Total Jobs: 38 (30 FTEs)

.Hybrid UKT AC Ltd is a leader in air technology systems and conditioning units now settled within the UK/Kent from Italy and is looking to expand its manufacturing

capacity and introduce a new line and range of services including flexibility options manufacturing on demand.

Colin and Helen Armstrong - Mr Colin Armstrong
(01233 721919) - helandcol@hotmail.co.uk
Total ExEK funding approved: £50,000.00 Total Jobs: 7 (7 FTEs)

Hythe Veterinary Centre will be a new clinic treating companion animals (dogs, cats, rabbits and other small pets) serving Hythe and the surrounding area.

Chalkhill - Mr Thomas Gamgee
(0754 0741736) - t.gamgee@chalkhillaccountancy.co.uk
Total ExEK funding approved: £30,000.00 Total Jobs: 7 (7 FTEs)

Chalkhill is a small start up accountancy practice supporting start up leisure and tourism and R&D businesses in the East Kent Area.

Elite Flooring Ltd- Mr Terry Marsh
(01303-892405) - terry@elite-flooring-online.com
Total ExEK funding approved: £40,000.00 Total Jobs: 15 (14.67 FTEs)

Elite Flooring is an expanding commercial business working on large scale contracts installing safety flooring, carpets and design flooring. They are looking to expand into the domestic market with a retail outlet, employing 5 new staff to manage that outlet.

H V Wooding Ltd - Mr John Osborne
(01303-264471) - josborne@hvwooding.co.uk
Total ExEK funding approved: £1,100,000.00 Total Jobs: 37 (37 FTEs)

H V Wooding is a medium sized manufacturing business based in Hythe. It is one of the UKs leading manufacturers of precision engineered components and assemblies.

ATEC-3D LTD - Mr Sean Spratley
(01303-891581) - sean.spratley@atec-3d.com
Total ExEK funding approved: £30,000.00 Total Jobs: 7 (6.5 FTEs)

ATEC-3D uses fixed wing and multi-rotor Unmanned Aerial Vehicles (UAVs) to provide cost-effective and reliable aerial solutions across a variety of different industries. Their range of services include: Aerial Mapping, Aerial Surveying, Aerial inspections and Aerial Photography & Video. Funding would enable them to expand their company by setting up a new office, purchasing equipment and employing additional full-time staff.

Axscend Limited - Mr Tim Steer
(01303 842100) - tim.steer@axscend.com
Total ExEK funding approved: £126,000.00 Total Jobs: 9 (9 FTEs)

Axscend Ltd have developed a GPS based tracking and management system for vehicle trailers.

A W Aviation Services Ltd - Mrs Alison Worgan

(01797 364331) - info@awavs.com

Total ExEK funding approved: £80,000.00 Total Jobs: 49 (48.75 FTEs)

A W Aviation Services offers technical record support to the aviation industry. The business operates in a niche market and is expanding. They are currently the only specialist company offering that level of service and expertise in Europe.

Sterlingbuild Limited - Mr Nick West

(01304-219922) - nick@sterlingbuild.co.uk

Total ExEK funding approved: £300,000.00 Total Jobs: 23 (22.2 FTEs)

Sterlingbuild is an online retailer of roof windows and roofing products. Additional warehouse and office space with better facilities is required to move the Company forward and allow growth.

The Lavender Tea Bus - Mr Ian Bubb

(07432 475352) - bubb@thelavenderteabus.info

Total ExEK funding approved: £20,000.00 Total Jobs: 8 (6.34 FTEs)

The Lavender Tea Bus Company wishes to provide a "Unique" outdoor event catering experience. The company intends to use a fleet of historic 1970 former Bedford CF Ice Cream vans, converted to state of the art mobile catering vehicles, to provide a high end, unique and quirky offering.

Triflex Productions Ltd - Mr Mark Bevan

(01303-279700) - mbevan@triflexproductions.com

Total ExEK funding approved: £157,500.00 Total Jobs: 15 (15 FTEs)

This company manufactures flexible packaging supplying major food groups across the UK and Europe. Funding will enable expansion by purchasing new updated machinery.

Thanet

Ramsgate Music Hall - Mr Julian Bigg

(07802-294462) - julesb@fresh-produce.co.uk

Total ExEK funding approved: £40,000.00 Total Jobs: 17 (14.2 FTEs)

Aim to open Ramsgate Music Hall a vibrant and enjoyable music venue. The venue will include a 120 capacity live music venue, a three floor rehearsal space and an attractive bar featuring regular club nights.

Royal Harbour Hotel - Mr James Thomas

(01843-591514) - jamesthomas10@me.com

Total ExEK funding approved: £500,000.00 Total Jobs: 28 (27.75 FTEs)

The hotel sits within adjoining Grade 2 listed buildings in one of Ramsgates premier garden crescents with outstanding views over Ramsgates jewel in the crown, the Royal Harbour. The aim is to increase the present en-suite bedroom stock of 20 rooms by up to 10 extra rooms and to invest in a new 50-seater restaurant on the premises, which will not only cater for hotel residents, but will attract outside loyal customers.

Roof Over Your Head Ltd - Mr Paul Dickinson
(07855-320080) - home@roofoveryourhead.com
Total ExEK funding approved: £25,000.00 Total Jobs: 21 (19.99 FTEs)

The business will provide a low cost solution that connects property buyers and sellers. They aim to become the leading tool for individuals who want to manage their property sale and or purchase.

Field and Stone Ltd (My Seaside Luxury) - Mrs Emma Irvine
(01843-587589) - emma@myseaseluxury.co.uk
Total ExEK funding approved: £350,000.00 Total Jobs: 15 (15 FTEs)

Field and Stone are responsible for the development of Albion House, Ramsgate into a 15 bedroom hotel with bar and function room

East Kent Cartons Ltd - Mr Anand Dani
(01843-600033) - dani@ekcartons.co.uk
Total ExEK funding approved: £450,000.00 Total Jobs: 31 (31 FTEs)

East Kent Cartons is a small family-owned manufacturer of folding cartons. Funding will enable updating of current machinery and relocation to larger premises

Designmap London Limited - Mr Daniel Sutton
(0870 4460256) - daniel.sutton@designmap.co.uk
Total ExEK funding approved: £80,000.00 Total Jobs: 9 (9 FTEs)

Designmap is a multidisciplinary design consultancy specialising in the culture, heritage and tourism sector. They work nationally and internationally on high profile projects.

Big Jelly Studio Ltd - Mr Alastair Harle
(07811-942726) - boxcarstouring@gmail.com
Total ExEK funding approved: £52,500.00 Total Jobs: 13 (10 FTEs)

To open a very high level commercial recording studio attracting international musicians/artists. The space will also be used as a teaching facility catering for all aspects of sound recording and instrumental tuition.

Bumble Beez Ltd - Mrs Sarah Cannon
(07813-240630) - sarah@bumble-beez.co.uk
Total ExEK funding approved: £30,000.00 Total Jobs: 20 (20 FTEs)

Bumble Beez is an iconic Family Entertainment Centre. The aim is to attract families from around Kent including those with disabilities who would not usually be able to access such facilities. They also intend to provide a high quality food and beverage facility.

South East Bottling Limited - Mr Duncan Sambrook
(020-722-80598) - duncan.sambrook@sambrooksbrewery.co.uk
Total ExEK funding approved: £170,000.00 Total Jobs: 10 (8.66 FTEs)

This is a joint venture to start a new contract beer bottling facility in Ramsgate. This new contract bottling facility will bottle beer for brewers in the South East of the UK.

Southeast Retail Ltd - Mr Nick Conington
(07794-336063) - nick@sandshotelmargate.co.uk
Total ExEK funding approved: £500,000.00 Total Jobs: 35 (28.87 FTEs)

Southeast Retail Limited is the property owning company and parent company of the Sands Hotel in Margate. The proposal is to develop a 20-bedroom upscale boutique hotel, together with bar, restaurant and ice cream parlour. The hotel is expected to employ between 25 and 35 staff.

That Nail Place - Ms Sarah Abel
(01303-256305) - thatnailplace@btconnect.com
Total ExEK funding approved: £30,000.00 Total Jobs: 8 (8 FTEs)

Expansion of salon and accredited academy from Folkestone to Thanet. To open a salon where apprentices would be trained on the job in a commercial salon by fully qualified therapists / Assessors. The academy would also be open to other salons in the area to send their apprentices to train with us.

The Cupcake Cafe - Mrs Lisa Hemingway
(01843-231300) - lisa@thecupcake.biz
Total ExEK funding approved: £29,715.00 Total Jobs: 6 (4.86 FTEs)

Expansion of successful cupcake cafe business to allow the business to offer additional services such as outside catering.

Annex 2

Tiger Programme

This annex provides full details of the funding awarded to companies within the North Kent and Thurrock area from the Tiger programme.

1. Funding Awarded

The table shows total funding committed, a breakdown per local authority, number of jobs to be created and private sector investment (matched funding).

Tiger Programme	Funding per Local Authority £ m	Private Investment £ m	No of Companies	No of jobs to be created	Saved Posts	Total number of Jobs
Dartford	1.0	1.3	9	147	50	197
Gravesham	0.9	0.8	5	38	62	100
Medway	4.4	3.0	12	245	166	411
Swale	6.0	18.3	15	300	355	655
Thurrock	1.7	4.9	5	241	79	320

Total Funding Committed	£14.5m	£28.3m	46	971	712	1683
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2. Defrayment of Funds

Each company applying to the programme provides a profile for the drawdown of funds. This drawdown would be dependent on the needs of the businesses and the companies' plans for growth.

The profile for the defrayment of funds is as follows:

(a) Funds defrayed as of December 2014	= £8.8m
(b) Estimated funds to be defrayed March 2015	=£5.7m
(c) Total	=£14.5m

3. Profile for Repayments of Funds

All repayment of loans and returns on Equity Investments will be reinvested into future financial support programmes for businesses and companies.

The table below provides details on the repayment profile. The total amount to be repaid is £13,075,928 as two companies have been awarded equity investments (£1,424,072).

Total Repayment 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
£601,160	£2,171,415	£2,437,773	£2,388,343	£2,111,521	£1,617,643	£1,748,073

Repayment 31 December 2014	£143,007	Total Repayment by 2021	£13,075,928
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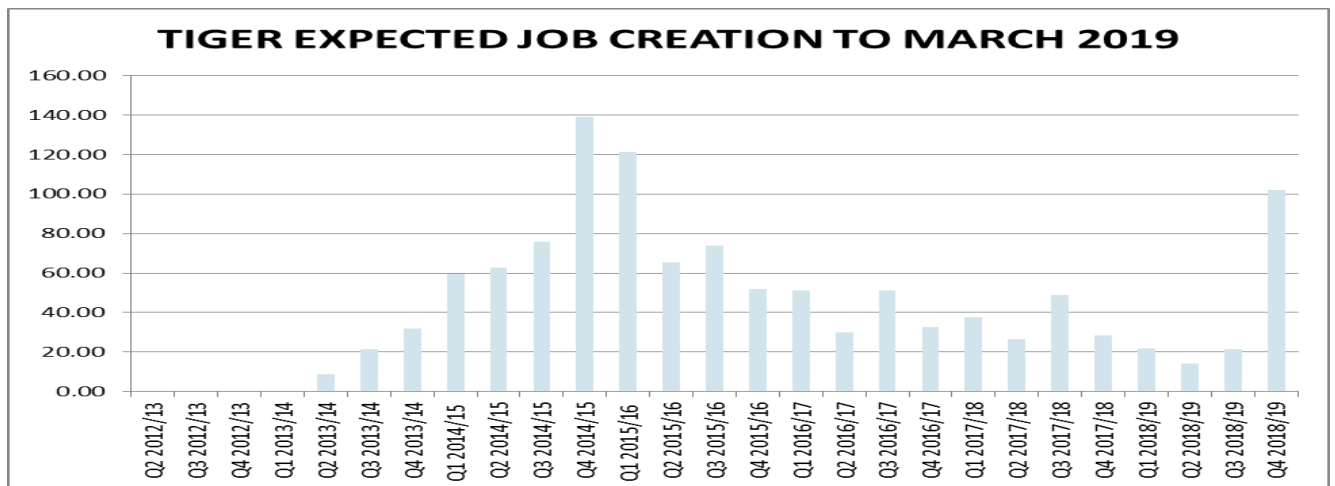
There are two loan repayment periods per financial year i.e. September 2014 and March 2015. The remaining funds for the financial year 2014/15 will be received in March 2015.

4. Monitoring Returns

The monitoring returns for the Tiger programme for the period of December 2014 period have yet to be compiled but will be circulated to all members by the end of January 2015. This will included the RAG ratings of returns for both the September and December 2014 returns

The monitoring returns for September 2014 have included evidence i.e employment contract for the creation of 105 jobs. This figure is estimated to rise to over 200 once the December 2014 returns have been received.

The following graph provides information of the estimated number of jobs to be created per year until 2019.



The achievement of jobs created as of September 2014 return was 105 jobs.

5. Pen Portraits

The full details of each company who have been awarded funding and been issued with contracts are as follows:-

Dartford

**Leisure King Ltd (TIGER Capital Investment Loan) - Mrs Sarah Redpath
(01322 479909) - sarah.redpath@leisureking.biz
Total TIGER funding approved: £25,000.00 Total Jobs: 3 (9.76 FTEs)**

Leisure King operates a successful event equipment hire business and will use the TIGER Funding to develop new products and utilise new premises.

**GCSI Limited (TIGER Capital Investment Loan) - Mr Grenville Clay
(01322 224999) - grenville@gcsilimited.co.uk
Total TIGER funding approved: £195,000.00 Total Jobs: 32 (32 FTEs)**

GCSI Limited is a low carbon installer and Green Deal approved installers for gas/oil boilers/ heating control/ loft & cavity insulation and was one of the first to be approved in Kent.

**Crosswater Limited (TIGER Capital Investment Loan) - Mr Tim Powell
(0845 8738841) - tim.powell@crosswater.co.uk
Total TIGER funding approved: £217,247.00 Total Jobs: 16 (16 FTEs)**

Crosswater Ltd design and supply prestigious and unique bathroom products and have come to TIGER to expand the company's export business.

**GDM Partnership Building Services Consultants Limited (TIGER Capital Investment Loan) - Mr Gary Draper
(0132 2225242) - gary.draper@gdmp.co.uk
Total TIGER funding approved: £300,000.00 Total Jobs: 30 (29.34 FTEs)**

GDM Partnership Building Services Consultants Limited are within the field of Building Services, designing innovative low energy and sustainable solutions for the built environment.

**Astro Communications Ltd (TIGER Capital Investment Loan)- Mr Steve Hodges
(0132 261010) - steve.hodges@astro.co.uk
Total TIGER funding approved: £85,000.00 Total Jobs: 8 (8 FTEs)**

Astro Communications Ltd are a well-established, high quality provider of communications services.

**Feed Me Bottles Ltd (TIGER Innovation and Development Loans) -
Dr Jim Shaikh - (020 8853 9830)**

Total TIGER funding approved: £200,000.00 Total Jobs: 35 (35 FTEs)

Feed Me Bottles manufactures "yoomi" a unique, patent protected self-warming baby bottle that is now available in 15 countries. The TIGER Fund will enable the business to relocate to Medway and increase in size by a factor of 3, safeguarding existing jobs and generating new manufacturing jobs.

**Freelance Diary Ltd (TIGER Young Innovative Enterprise Loans) -
Mr Richard Jeffs - (0794 0734901) - 0794 0734901**

Total TIGER funding approved: £90,000.00 Total Jobs: 5 (5 FTEs)

Freelance Diary is the innovative new network for professionals working in the creative industries. It features the first free diary and invoice service that makes booking freelancers and managing projects easy.

**8point3 Limited (TIGER Young Innovative Enterprise Loans) -
Mr Ashley Bateup - (01322 629750)**

Total TIGER funding approved: £200,000.00 Total Jobs: 75 (72.83 FTEs)

8point3 manufacture and deliver bespoke LED lighting solutions to public and private sector. TIGER funding is required to secure the growth of the company.

The Portable Office Company Limited (TIGER Young Innovative Enterprise Loans) - Mr Peter Melhuish - (0871 716 7945) - 0871 716 7945

Total TIGER funding approved: £165,000.00 Total Jobs: 8 (7 FTEs)

The Portable Office Company is an ICT company which has developed cloud services delivery software.

Gravesham

**W.E. Roberts (Corrugated) Ltd (TIGER Capital Investment Loan) –
Mr Richard Puffette - (01474 574613) - r.puffette@wer.co.uk**

Total TIGER funding approved: £500,000.00 Total Jobs: 80 (80 FTEs)

W.E. Roberts (Corrugated) Ltd manufacture corrugated cardboard. The TIGER Fund will be used to help support the companies improvement programme, achieve company accreditations and grow their manufacturing capacity

**A A Tikare & Associates Dental Surgery (TIGER Capital Investment Loan) –
Dr Akin Tikare - (0147 4534995) - aatikare@yahoo.co.uk**

Total TIGER funding approved: £50,000.00 Total Jobs: 5 (4.5 FTEs)

A A Tikare & Associates Dental Surgery are looking to expand their business by creating two new surgeries.

**Social Advisors Ltd. (TIGER Young Innovative Enterprise Loans) -
Mr Simon Ryan - (0147 4550290)
Total TIGER funding approved: £75,000.00 Total Jobs: 13 (11.01 FTEs)**

Social Advisors is developing a managed service to businesses that enables them to maximise the benefits of social media with the minimum risk to their brand or regulatory obligations.

Swale

**Fabritec Furniture Limited (TIGER Capital Investment Loan) –
Mr Jimmy Callow - (0179 5663938) - jimmyc@fabritecfurniture.com
Total TIGER funding approved: £300,000.00 Total Jobs: 24 (24 FTEs)**

Fabritec Furniture is a leading manufacturer of Office, Residential, Healthcare, and Educational furniture for the commercial market, working with the TIGER fund to invest in new equipment to maximise production and employ additional staff.

**East Kent Recycling Limited (TIGER Capital Investment Loan) –
Mrs Kimberly Campion - (0123 3740174) - khcampion@aol.com
Total TIGER funding approved: £250,000.00 Total Jobs: 34 (34 FTEs)**

East Kent Recycling supply waste management and skip hire in Kent and operate a recycling facility at the Oare Creek, Faversham. The proposal is to expand the recycling centre in order to increase avoidance to landfill, develop new recycling facilities, create new jobs and increase capacity to offer more local businesses facilities to tip waste.

**LMR Gear Tech (TIGER Capital Investment Loan) - Mr David Rungay
(0179 5421040) - dave@lrmgeartech.com
Total TIGER funding approved: £145,000.00 Total Jobs: 11 (11 FTEs)**

LMR Gear Tech's vision is to become the UK's Leading Gear Manufacturing Specialist. They require capital equipment to increase production and quality assurance; as well as to develop an apprenticeship arm to secure long term staff succession.

**Faversham Laundry Limited (TIGER Capital Investment Loan) - Mr Nigel Turner
(01795 532547) - nigel@favershamlaundry.co.uk
Total TIGER funding approved: £400,000.00 Total Jobs: 120 (106.84 FTEs)**

Faversham Laundry Ltd is an independent, family owned business providing commercial linen and work wear services.

**Contracts Engineering Ltd (TIGER Capital Investment Loan) - Mr Troy Barratt
(01795 479 284) - tbarratt@contractsenineering.com
Total TIGER funding approved: £93,537.00 Total Jobs: 35 (35 FTEs)**

Contracts Engineering Ltd (CEL) is a precision engineering manufacturer, specialising in sheet metal fabrication and manufacturing for the General Industrial,

Retail Fittings, Consumer & Office, and Heating, Ventilation & Air Conditioning end markets. CEL manufactures for customers predominantly in the UK, while a large portion of its products are shipped around Europe, as well as to the Middle East, Asia and North America. CEL required TIGER funding to replace its current CNC turret punching machine.

**E H Nicholls Jnr Ltd (TIGER Capital Investment Loan) - Mr Darren Sherlock
(01795 421777) - darren@nicholls-uk.co.uk
Total TIGER funding approved: £2,499,000.00 Total Jobs: 113 (112.7 FTEs)**

E H Nicholls Jnr Ltd are a road haulage firm that operates throughout the UK and Northern Europe. E H Nicholls Ltd are moving to a new site and TIGER will contribute to funding new buildings on the site.

**Newform Energy Limited (TIGER Capital Investment Loan) -
Mr Anthony Morgan - (0122 7250073) - amorgan@newformenergy.com
Total TIGER funding approved: £410,000.00 Total Jobs: 52 (42.77 FTEs)**

Newform Energy is a high tech innovative company focused on the development of new renewable technologies and is now ready to expand and commercially roll out the technology it has researched and developed.

**Entity Group Limited (TIGER Innovation and Development Loans)
Mr Chris Finlay - (01795 415801)
Total TIGER funding approved: £500,000.00 Total Jobs: 81 (81 FTEs)**

Entity Group Limited applied to the TIGER Fund to transform and grow the company as the enterprise Information Management specialist of choice.

**Gillard Editing (TIGER Innovation and Development Loans)
Mr Andrew Gillard - (01795 858010)
Total TIGER funding approved: £30,000.00 Total Jobs: 3 (2.13 FTEs)**

Gillard Editing offers specialist editing services, optical character recognition, conversion to eBooks, image editing and transcription. The TIGER funding will be used to secure viability, enable further development of various services.

**Brightwater Technology Ltd (TIGER Young Innovative Enterprise Loans)
Mr Alan Lester - (01795 890590)
Total TIGER funding approved: £171,250.00 Total Jobs: 17 (14.67 FTEs)**

Brightwater Technology Ltd intend to develop and manufacture a new water treatment system offering significant performance and environmental benefits over current technology.

TCS Micropumps Ltd (TIGER Young Innovative Enterprise Loans)
Mr Richard Weatherley - (01795 539655)
Total TIGER funding approved: £323,087.00 Total Jobs: 47 (47 FTEs)

TCS Micropumps have developed a unique series of small high efficiency brushless pump systems which are rapidly finding new applications in diverse sectors from aerospace to medical devices. TIGER funding will be used to help facilitate growth.

Claimaday.com Limited (TIGER Young Innovative Enterprise Loans)
Mr Derrick Swain - (01795 229699)
Total TIGER funding approved: £121,213.00 Total Jobs: 46 (46 FTEs)

Claimaday.com Ltd will become the go to website for those planning public events. Tiger funding will assist our training activities, and help in the latter stages of website build and design, thus accelerating our market entry and national coverage of the UK.

Medway

Food Machinery Co Ltd (TIGER Capital Investment Loan) - Mr Mike Wilkinson
(01634 272345) - mike@foodmc.com
Total TIGER funding approved: £197,175.00 Total Jobs: 17 (17 FTEs)

The Food Machinery Co Ltd are specialists in the design, supply, manufacturing, installation and maintenance of Industrial Food processing & packaging machinery to independent and major Blue Chip clients throughout the UK. The TIGER grant is to help fund the development of new offices & development laboratory at our factory in Rochester.

Heat Domestic Limited t/a The Heating Hub and Heat & Home (TIGER Capital Investment Loan) - Mrs Joanne Alsop
(01634 826143) - jo.alsop@heathome.co.uk
Total TIGER funding approved: £40,000.00 Total Jobs: 12 (11.25 FTEs)

The Heating Hub are a specialist, multi-disciplinary heating company qualified to work on domestic and commercial gas, oil, biomass and solar systems. The Heating Hub aim to establish themselves as a centre of excellence in combined fossil fuel and renewable heating through the recruitment and training of more specialist engineers and expansion of their apprenticeship scheme.

Transnordic Ltd (TIGER Capital Investment Loan) Mr Michael Baxter
(01634 252300) - transnordic@aol.com
Total TIGER funding approved: £32,539.00 Total Jobs: 15 (15 FTEs)

Transnordic are a UK hydraulic valve manufacturer. They manufacture mobile hydraulic control valves, diverter and circuit valves with flows up to 300 ltr per minute and pressure up to 320 bar. Providing both technical assistance at pre and post purchase.

Vending Services (se) Ltd (TIGER Capital Investment Loan)
Mr Matthew Schmidt - (01634 290296) - info@vendingservices.co.uk
Total TIGER funding approved: £50,000.00 Total Jobs: 15 (12.97 FTEs)

Vending Services Ltd supplies, installs, maintains and stocks a wide range of food and drinks vending machines.

Blackbox Document Solutions Ltd (TIGER Capital Investment Loan)
Mr Colin Griffin - (0845 4532007) - colin@blackbox-solutions.co.uk
Total TIGER funding approved: £100,000.00 Total Jobs: 15 (15 FTEs)

Blackbox Document Solutions supplies digital print, scan and copy networked systems, on a business-to business basis. Blackbox provides all of its document and IT solutions on a range of rental and service support agreements. With offices in London and Rochester, Blackbox is strategically placed to service clients across the South East. Business leaders are always looking at ways to reduce costs and increase productivity, Blackbox has specialist knowledge in this area and has partnered many local businesses to improve their document workflow and drive down IT and print costs.

Dr. Oats Ltd (TIGER Capital Investment Loan) - Mrs Remona Puri
(01634 319195) - admin@droats.co.uk
Total TIGER funding approved: £100,000.00 Total Jobs: 13 (9.43 FTEs)

Dr. Oats manufactures innovative beverages and is the only company to manufacture and sell fruit & oat beverages in the UK market.

Geku UK Limited (TIGER Capital Investment Loan) - Mr Nigel Richardson
(0163 4863111) - nigel@geku.co.uk
Total TIGER funding approved: £261,200.00 Total Jobs: 20 (20 FTEs)

Geku UK Ltd are a Hi - Tech automation & robotics system manufacturer. The Tiger loan will be used to develop the business, through increasing factory space and providing the opportunity to take on larger and more complex projects.

Puretone Ltd (TIGER Capital Investment Loan) - Mr Gerry Allchorne
(0163 4719427) - gerry@puretone.net
Total TIGER funding approved: £54,929.00 Total Jobs: 8 (8 FTEs)

Puretone Ltd are the last privately owned British designer and manufacturer of hearing instruments in the UK. The TIGER funding will be used to buy updated equipment.

Russell Distillers Ltd (TIGER Capital Investment Loan) - Mr Matthew Russell
matthew.russell@beamsint.com
Total TIGER funding approved: £243,954.00 Total Jobs: 10 (11.34 FTEs)

Russell Distillers Ltd are establishing a Craft Distillery in Medway. This will be Kent's first distillery established to produce Premium Hand Crafted Gin, and Vodka.

**Wozair Limited (TIGER Capital Investment Loan) - Mr Simon Collins
(01634 263366) - simon.collins@wozair.com
Total TIGER funding approved: £1,013,250.00 Total Jobs: 178 (178 FTEs)**

The company designs and manufactures specialist heating, ventilation and air conditioning equipment and systems for the worldwide oil & gas, nuclear and marine industries

**Bates Office Services Ltd (TIGER Capital Investment Loan) - Mr Paul Tucker
(01322 550 167) - Paul.tucker@batesoffice.co.uk
Total TIGER funding approved: £185,215.00 Total Jobs: 39 (38.01 FTEs)**

Bates Office Services is a UK wide Office supplies company and require new enlarged premises.

**Digital Contact Ltd (TIGER Young Innovative Enterprise Loan/Equity)
Mr Gareth Mann - (0330 313 1001)
Total TIGER funding approved: £1,905,940.00 Total Jobs: 68 (37.67 FTEs)**

Digital Contact is an emerging ITC start-up focused on "big data". They aim to become a global provider of big data analytics - generating high-skilled jobs inside the TIGER area to accommodate their technical R&D requirements

Thurrock

**Rekola Recycling Limited (TIGER Capital Investment Loan) - Mr Craig Watson
(01375 855884) - rekolarecycling@ymail.com
Total TIGER funding approved: £142,000.00 Total Jobs: 34 (34 FTEs)**

TIGER funding is required to undertake the purchase of equipment and machinery and to complete structural projects which will help the company to provide and support their current innovative recycling services.

**Ashby & Croft Limited (TIGER Capital Investment Loan) - Mr Michael Anthony
(01708 869600) - michael.anthony@ashbycroft.com
Total TIGER funding approved: £109,700.00 Total Jobs: 21 (21 FTEs)**

Ashby & Croft Ltd is expanding its innovative modular building systems (MBS) and the TIGER fund will help create new yard surfaces to expand the operational areas, a new security office and new lighting to provide a more secure and operational site especially during the hours of darkness and poor weather conditions.

**Pixelwork Ltd (TIGER Innovation and Development Loans)
Mrs Lucy-Emma Harris - (01375 888150)
Total TIGER funding approved: £22,000.00 Total Jobs: 9 (9 FTEs)**

Pixelwork Ltd are a digital communications company with a renowned expertise for developing innovative websites and other marketing assets, that encompass the latest technologies and trends to ensure their clients branding and communications

stand head and shoulders above the competition. Pixelwork Limited want to expand their team to support their innovative thinking and cross platform delivery around content development with community and corporate audiences.

Vortex Exhaust Technology Ltd (TIGER Young Innovative Enterprise Loan/Equity)

Mr Barry Clifford Mead - (01375 372037)

Total TIGER funding approved: £490,000.00 Total Jobs: 52 (51.8 FTEs)

Vortex Exhaust Technology Limited specialise in developing carbon emissions reduction products for diesel and petrol engines - mainly exhaust components. Vortex's patented products that they develop, manufacture and market will reduce carbon emissions and improve miles per gallon over a wide range of diesel or petrol engine applications.

Annex 3

Escalate

This annex provides full details of the funding awarded to companies within the districts of West Kent and three districts of East Sussex from the Escalate programme.

1. Funding Awarded

The table shows total funding committed, a breakdown per local authority, number of jobs to be created and private sector investment (matched funding).

Escalate Programme	Funding per Local Authority £ m	Private Investment £ m	No of Companies	No of Jobs to be created	Saved Posts	Total number of Jobs
Maidstone	2.7	2.9	10	136	94	230
Hastings	0	0	0	0	0	0
Rother	0.1	0.1	1	82	17	99
Sevenoaks	0.6	0.7	6	30	16	46
Tonbridge + Malling	0.8	0.8	8	65	18	83
Tunbridge Wells	1.0	1.3	11	143	10	153
Wealden	0.3	0.3	3	17	7	24

Total Funding Committed	£5.5m	£6.1m	39	473	162	635
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2. Defrayment of Funds

Each company applying to the programme provides a profile for the drawdown of funds. This drawdown would be dependent on the needs of the businesses and the companies' plans for growth.

The profile for the defrayment of funds is as follows:

(a) Funds defrayed as of December 2014	= £1.6m
(b) Estimated funds to be defrayed March 2015	=£3.9m
(c) Total	=£5.5m

3. Profile for Repayments of Funds

All repayment of loans and returns on Equity Investments will be reinvested into future financial support programmes for businesses and companies.

The table below provides details on the repayment profile. The total amount to be repaid is £4,223,261. There is one equity investment and a number of repayment schedules still to be confirmed but once agreed the total repayment profile will be £5,150,000.

2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
£141,445	£688,301	£895,240	£899,890	£814,394	£528,626	£255,365

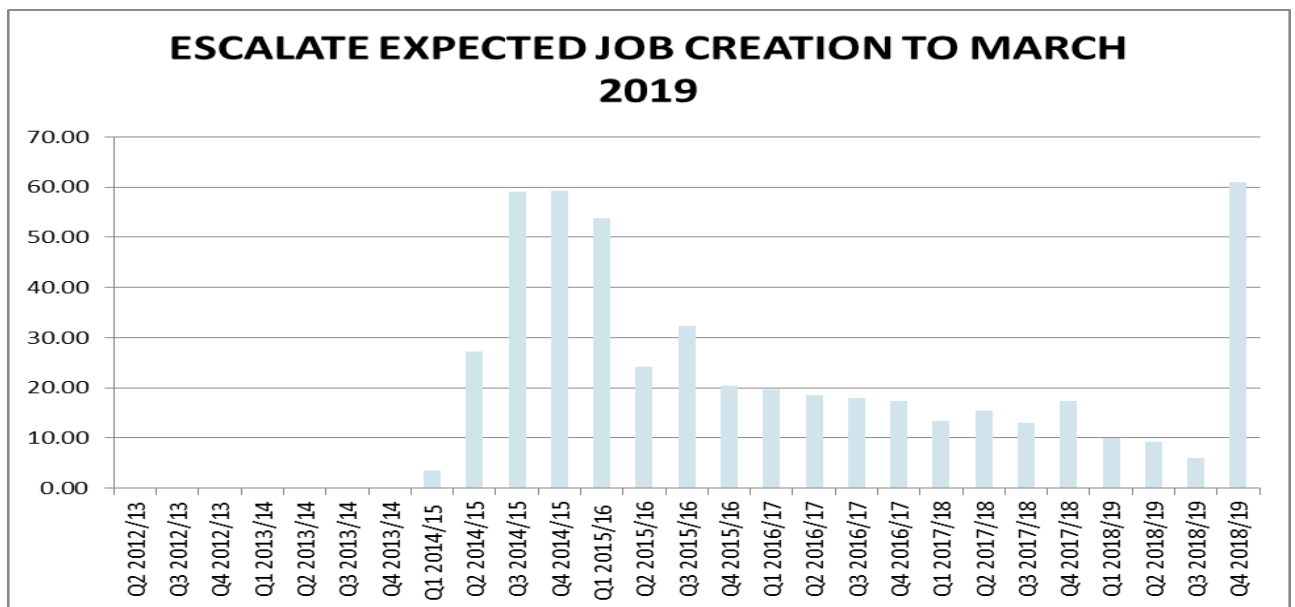
Total Repayment = £4,223,261

4. Monitoring Returns

The monitoring returns for the Escalate programme for the period of December 2014 period have yet to be compiled but will be circulated to all members by the end of January 2015.. This will included the RAG ratings of returns for both the September and December 2014 returns

The first amounts of funding were not awarded to businesses until March 2014. The monitoring returns for September 2014 have included evidence i.e employment contract for the creation of 5 jobs. This figure is estimated to rise to over 130 once the December 2014 returns have been received.

The following graph provides information of the estimated number of jobs to be created per year until 2019.



The achievement of job created as of the September 2014 return was 5 jobs.

5. Pen Portraits

The full details of each company who have been awarded funding and been issued with contracts are as follows:-

Maidstone

ACT Universal Limited - Mr Daniel Peach

(01622-790888) - email: daniel.peach@act-comm.com
Total Escalate funding approved: £50,000 (Total Jobs 12)

ACT Universal Ltd will use the Escalate funding to protect its intellectual property and expand on the staff and premises to allow the growth. Secondly it requires a robust route to market with traditional and internet marketing and sales. Extra staff and training are key to the success and growth of the company, making it stronger for the future.

Absols Ltd - Mrs Paula Wilkinson

(01622 678032) - email: paula@absols.co.uk
Total Escalate funding approved: £45,000 (Total Jobs 5)

Absols Ltd are a computer support company who are using the Escalate funding to help increase new software development and train new engineers.

MEP Ltd - Miss Nikki Greig

(01622-714364) - email: nikki.greig@mep.co.uk
Total Escalate funding approved: £620,000 (Total Jobs 57)

MEP are suppliers of components of the aerospace industry and will use the Escalate funding to upgrade their facilities and buy machinery.

Michelson Diagnostics Limited - Mr Paul Grafham

(020 8308 1695) - email: paul.grafham@vivosight.com
Total Escalate funding Loan /Equity approved £600,000 (Total Jobs 32.34)

Michelson Diagnostics has developed a world-leading, patented, medical imaging scanner (Vivosight), which provides highly detailed sub-surface images of skin.

Recapture Plastics Ltd - Mr Roger Evans

(07595 541846) - email: apuntealto@aol.com
Total Escalate funding approved: £230,000 (Total Jobs 13.83)

Recapture Plastics Ltd is a start up business and will specialise in materials recovery from other processing plants using automated sorting technologies not widely available in the UK.

Select Learning, The Nursery at St Peter's - Mrs Irene Beaumont

(0162 2687878) - email: alison@selectivenetworks.com
Total Escalate funding approved: £260,000 (Total Jobs 22.83)

Select Learning, The Nursery at St Peters is a day care nursery for a maximum of 120 children. Select Learning will use the Escalate Funding to develop an existing building to accommodate up to a further 120 children who are eligible for free to consumer government funded places.

Tunbridge Wells

AnsaCom Limited - Ms Claire Burroughs

(01892 616322) - email: c.burroughs@ansacom.co.uk

Total Escalate funding approved: £20,000 (Total Jobs 14.21)

AnsaCom Ltd will use the Escalate Fund to fund larger premises to house an additional 15 staff over the next 3 years, in addition to a new hosted telephone system, call Scripting system and a cloud based server. This will provide the company with a robust and seamless disaster recovery programme, which will in turn launch AnsaCom Ltd into new market areas and a create a need for new staff.

International Controlled Atmosphere Ltd - Mr Antony Drew

(0189 2831719) - email: tonyd@icastorage.com

Total Escalate funding approved: £305,000 (Total Jobs 18)

International Controlled Atmosphere specialises in Controlled Atmosphere and cold storage. The Escalate funding will be used for planned expansion of the manufacturing division in both size and people and a sales and marketing strategy to expand the construction division into other sectors requires additional experienced sales and engineering personnel

Tonbridge & Malling

DotImpact Ltd - Ms Amanda Robinson

(01732 525815) - email: amanda@dotimpact.co.uk

Total Escalate funding approved: £40,000 (Total Jobs 4.5)

DotImpact are a digital marketing agency that work primarily with SMEs in Kent to accelerate commercial growth through the effective use of best practice digital practices. The Escalate Fund will be used to aid DotImpact Ltd to move to larger offices.

Poyntell Ltd - Mr Graeme Thirkettle

(4415 80892902) - email: gthirkettle@poyntell.com

Total Escalate funding approved: £60,000 (Total Jobs 9)

Poyntell Ltd provides security products and installations for public, private and commercial sectors.

Water Process Solutions Ltd Mr Clive Dean

(0788 9843877) - email: clive.dean@waterprocesssolutions.com

Total Escalate funding approved: £112,215.5 (Total Jobs 17)

Water Process Solutions is a provider of engineered solutions to a wide range of water treatment problems.

Bertie's Wood Fuel Ltd - Mr Peter Tweddell

(01732 850600) - email: peter@bertieswoodfuel.co.uk

Total Escalate funding approved: £61,294 (Total Jobs 2)

Bertie's Wood Fuel Ltd produce and retail kiln dried logs. The Escalate Fund will be used to invest in a new biomass fired furnace.

Contacta Systems Limited - Mr Simon Thomas

(01732 223900) - email: sthomas@contacta.co.uk

Total Escalate funding approved: £350,000 (Total Jobs 24)

Contacta is well established as a leading provider of hearing loop systems which assist people with hearing loss in public places. It has an opportunity for large growth created by demand for these products in new export markets; principally the USA, Australia and other European countries, as well as the home market.

Kent Entertainment Limited - Miss Donna Chatfield

(01424 894313) - email: dchatfield@thehopfarm.co.uk

Total Escalate funding approved: £25,000 (Total Jobs 6)

The Hop Farm is a well-known entertainment venue, which hosts functions (corporate and banqueting) and a variety of events, large and small. Kent Entertainment Ltd would like to refurbish an existing articulated mobile food and drinks unit.

Sevenoaks

BHD Architects LLP - Mr Jeff Haskins

(01732 452200) - email: nicola.somers@bhdarchitects.co.uk

Total Escalate funding approved: £40,000 (Total Jobs 5)

BHD Architects LLP will use the Escalate funding to expand the business and to incorporate new technology that will enable us to compete with increasing requirement for a 3D BIM design strategy

JE Bennett Law Ltd - Mr Tom Beaufoy

(01732 454 983) - email: tom@jebennettlaw.co.uk

Total Escalate funding approved: £70,000 (Total Jobs 6.01)

JE Bennett Law Ltd will use the Escalate Fund to take on a full time Solicitor, a Personal Assistant and a Paralegal. To allow the Senior Partner to drive the business forward developing new opportunities locally in West Kent and building on her London contacts.

Aqumen Freight Management Ltd - Mr Shaun Lord

(01322 664008) - email: shaun.lord@aqumenuk.com

Total Escalate funding approved: £59,000 Total Jobs 6

Aqumen Freight is a professional third party logistics provider offering a comprehensive portfolio of freight-related services. Aqumen Freight is now ready to expand its range of activities but the warehouse is now operating at full capacity and there are a number of new business opportunities for which it needs more undercover space. The Escalate funding will help to achieve these aims.

Rother

Rockhopper Infrastructure Services - Mr Mark Wilson

(07850 332097) - email: mark.wilson@rockhopperservices.com

Total Escalate funding approved: £90,000 (Total Jobs 72)

Rockhopper Infrastructure Services LLP offers a range of services in helping maintain and improve a variety of infrastructures including: highways, recreation parks, public buildings, educational establishments, retail and business parks. The Escalate loan will ensure that Rockhopper Infrastructure Services LLP will quickly grow to be the provider of choice for main contractors, companies and clients in the South East.

Wealden

Acquascience Limited - Dr Edward Clayson

(01825 766191) - email: edward@acquascience.com

Total Escalate funding approved: £200,000 (Total Jobs 10)

AcquaScience manufactures Histology reagents and solvents for Hospitals throughout the UK. Acquascience are expanding into Clinical diagnostics and require six new members of staff to facilitate this.

Torr Scientific Limited - Mr Jeremy Green

(01424 225228) - email: j.green@torrscientific.co.uk

Total Escalate funding approved: £50,250 (Total Jobs 5)

Torr Scientific Limited is an innovative company that brings together a unique range of expertise, skills and equipment from the worlds of thin film vacuum coating, vacuum instrumentation and electro-optics. The proposal is to use the funds for the fitting out of a new factory unit that is currently being built to company specifications by the freeholder.

Perfect Plants (Sussex) Ltd - Mrs Paula Harper

(01323-833479) - email: paula@perfectplants.co.uk

Total Escalate funding approved: £30,000 (Total Jobs 12.27)

Perfect Plants (Sussex) Ltd is an on-line gardening store and will use the Escalate Fund to renovate existing buildings to provide further packing and storage areas.

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From: David Brazier, Cabinet Member for Environment and Transport and Barbara Cooper, Corporate Director for Growth, Environment and Transport

To: Growth and Economic Development and Communities Cabinet Committee – 22 January 2014

Subject: Rail Capacity in Kent to support Economic Growth

Classification: Unrestricted

Electoral Division: All

Summary:

Kent County Council (KCC) adopted its principal rail policy with the publication of the Rail Action Plan for Kent in April 2011. This new rail policy initiative, developed primarily to inform the new franchises for the Southeastern and Thameslink networks, was based on the future needs of the county for a rail network which would have sufficient capacity to support economic growth.

Many of the recommendations set out in the Rail Action Plan have now come to fruition, following three years of negotiations and meetings with the Department for Transport (DfT), the Office of Rail Regulation (ORR), and the rail franchise operators Southeastern Railway (SER) and Govia Thameslink Railway (GTR).

Partly as a direct result of KCC's involvement in the rail service planning process, there will be a significant increase in rail capacity in Kent. The new Southeastern timetable which commences in January 2015 will deliver several of the planned outcomes of the Rail Action Plan for Kent. These are set out in detail in this report.

Recommendation:

The Growth, Economic Development and Communities Cabinet Committee is asked to note and welcome the report.

1. Introduction

1.1 Kent County Council (KCC) adopted its principal rail policy with the publication of the Rail Action Plan for Kent in April 2011. This new rail policy initiative, developed primarily to inform the new franchises for the Southeastern and Thameslink networks, was based on the future needs of the county for a rail network which would have sufficient capacity to support economic growth.

2. Financial Implications

2.1 KCC did provide revenue support for the initial High Sped peak service to Deal and Sandwich between September 2011 and March 2014, but this revenue

support has now finished and the service has been subsumed, and expanded, into the existing Southeastern Direct Award franchise agreement with the Department for Transport (DfT).

2.2 There are no other financial implications for KCC.

3. Policy Framework

3.1 The Rail Action Plan for Kent (KCC, April 2011) set out the rail policy of the Council as part of the wider transport delivery strategy set out in 'Growth without Gridlock' (December 2010) and the Local Transport Plan 3 (April 2010).

RAIL PLANNING POLICY IN KENT

3.2 The Rail Action Plan for Kent recognised the importance of planning the rail network to support future growth:

- The [Strategic Rail Authority] SRA had recognised the importance of the influence of local authorities in determining the pattern of rail services that were included in the original [Integrated Kent Franchise] IKF [Stakeholder Briefing Document] when bids were invited for the existing franchise:

“The SRA is aware of the aspirations of regional and local authorities in relation to redevelopment and inward investment. It is essential, therefore, that in the design of new railway services such as that arising from the completion of the CTRL [now HS1], full account is taken of plans for future land use and economic activity. The development of a new franchise that can not only provide services on the existing network, but also offer new domestic links between Kent and London on the CTRL, can only be viewed as a major advance in service provision for the whole of the region.”

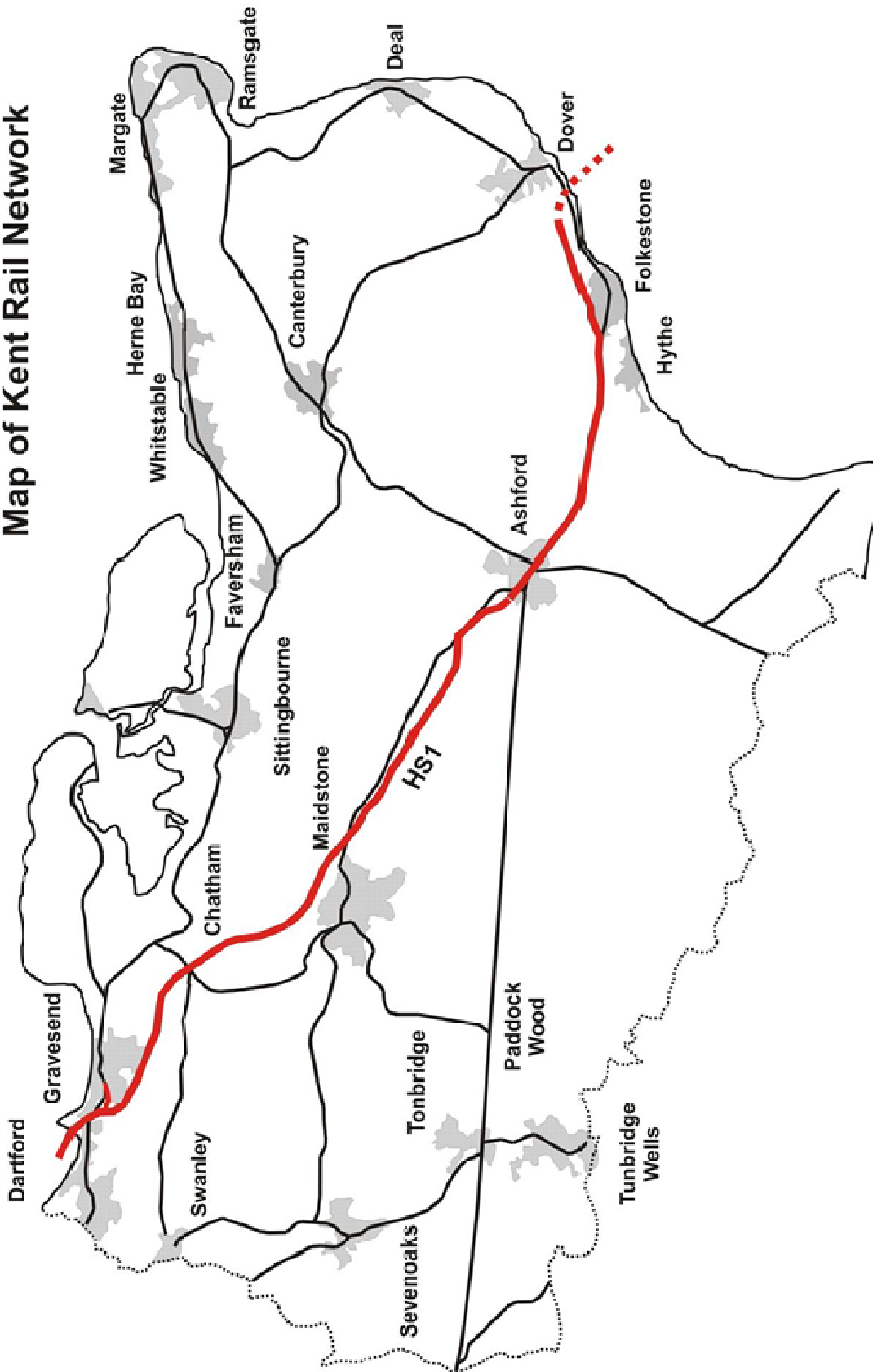
- At the district level, Local Development Frameworks (LDFs) provide a long-term vision and objectives for an area, ensuring that new development is in the right place to meet people's needs whilst minimising the impact on existing communities, transport and the environment.
- KCC's principal framework for economic growth is titled 'Unlocking Kent's Potential: Opportunities and Challenges (2009-2020)'. This framework identifies the key issues that must be addressed to deliver long-lasting economic growth in the county, and establishes a series of priority areas for action by KCC and its partners for the next 20-25 years.
- 'Unlocking Kent's Potential' redefines regeneration to include not only economic growth but also transformation in education and skills, culture, civic spirit, tackling climate change and improving housing conditions. It sets a clear direction for achieving economic growth and diversifying employment in Kent, and it recognises the key role of transport in the successful delivery of all these objectives.
- The provision of a new rail service for Kent is therefore critical to the county's regeneration objectives, especially in East Kent where the

county's areas of greatest deprivation are located, as it will provide the primary mode of public passenger transport which should be a driver for new employment, education and business opportunities. This is especially critical for the areas of:

- Thanet, where the proposed Thanet Parkway should provide the incentive required for the economic growth already created by the Discovery Park Enterprise Zone at Sandwich, for the growth planned at the proposed Enterprise Zone extension to include the Manston Airport site;
- Dover, where the aspiration of Dover District Council to have an under the hour service between Dover and London on High Speed, together with enhanced parking at Dover Priory, will be a significant benefit to Dover Pride and to the regeneration of the town;
- Deal and Sandwich, where an improved rail service to these coastal towns should stimulate the local economy in this part of the county. KCC's aspirations for the new Kent franchise are therefore rooted in the opportunities and challenges set out in 'Unlocking Kent's Potential'.

(Source: Rail Action Plan for Kent, KCC, April 2011)

Map of Kent Rail Network



4. Rail Action Plan for Kent – Implementation of Recommendations

4.1 The Rail Action Plan for Kent set out a number of key recommendations for rail service enhancements in the county. Some of these, such as a through service between Kent and Gatwick Airport, have not, at present, proved viable. But many other recommendations set out in the Rail Action Plan have now come to fruition, following three years of negotiations and meetings with the Department for Transport (DfT), the Office of Rail Regulation (ORR), and the rail franchise operators Southeastern Railway (SER) and Govia Thameslink Railway (GTR).

4.2 Partly as a direct result of KCC's involvement in the rail service planning process, there will be a significant increase in rail capacity in Kent. The new Southeastern timetable which commences in January 2015 will deliver several of the planned outcomes of the Rail Action Plan for Kent. Specifically, the following improvements will deliver increased capacity on High Speed, and better connectivity for the eastern districts of Thanet and Dover, linking together for the first time the coastal towns from Whitstable to Folkestone via Sandwich and Deal:

- an all-day High Speed (HS) service via Sandwich, Deal, Walmer and Martin Mill. The existing peak period services were first introduced in September 2011 with revenue support from KCC, and these have grown to become a successful and permanent part of the SER HS network in East Kent. This latest proposal will strengthen the current HS service, and will also provide improved connectivity between towns on the North, East and South coasts of the county. This is an excellent proposal which will not only provide two HS services each hour (one via each route) for the eastern coastal stations, but will also provide the northern coastal stations between Faversham and Margate with an all-day HS service for the first time;
- a proposed route based price mechanism, whereby passengers from the four eastern coastal stations would be able to travel on the HS service via Faversham to London at Mainline rather than HS fares;
- at present the final HS journey from St Pancras to Canterbury West operates at 2242, with a connection available at Ashford from the 2312 but not from the 2342. The passenger traffic on HS between St Pancras and Canterbury West has grown considerably, yet the last through train is considerably earlier than those to less well used destinations. The new timetable will offer a late journey at 2312 from St Pancras to Ramsgate, enabling passengers to benefit from a through HS train after attending evening activities in the capital;
- a reduction in journey time on some of the North Kent line services, enabled by the removal of joining and dividing of trains at Faversham, although there is still scope for some further enhancement to services at Sittingbourne and in the Medway Towns to meet the expected growth in rail demand along this line;
- the Maidstone West HS services will start to serve Snodland in the peaks. This new stop will serve the recent and planned housing developments in this locality, and is supported by Tonbridge & Malling Borough Council.

Although this will increase journey time on the HS service by two or three minutes, this is a good proposal given the projected growth in passenger demand at Snodland.

- the proposal to extend the other 1 train per hour (tph) on the Maidstone East line via Wye, Chilham and Chartham to Canterbury West is excellent and one that KCC strongly supports. This proposed change will re-introduce the direct service between the county town of Maidstone and the City of Canterbury which was lost in the December 2009 changes. This journey is popular for business, leisure and student travel, as Canterbury now offers a wide range of higher education facilities which attract students from a wide area of the county.

INFRASTRUCTURE CHANGES PLANNED BY NETWORK RAIL

- 4.3 Schemes planned for delivery by Network Rail include increasing capacity by means of platform lengthening, with all high peak trains via Tonbridge likely to be 12-car formations within the next few years; some further 8-car operations on the Maidstone East line; and further 12-car formations via Rochester, Gravesend and Dartford are anticipated. Due to platform length constraints at critical sites such as Charing Cross and Tunbridge Wells, all Mainline lengthening requires use of Class 375 rolling stock with selective door opening.
- 4.4 The major East Kent resignalling scheme commenced in December 2011, initially involving the remodelling of the track layout in the Faversham, Margate and Ramsgate areas. The next stage will cover the constrained section of railway through the Medway towns, where it is anticipated that there will be an increase in frequency of trains in the Rochester to Gillingham corridor together with increased turnback capacity.
- 4.5 During 2014, a period of significant and extended changes to services across a wide area commenced, linked to the Thameslink Programme remodelling works at London Bridge. The re-building works are being delivered in two phases. The first of these will last from January 2015 to August 2016 and will involve Charing Cross trains being unable to call at London Bridge, while the second will last from August 2016 to January 2018 and will involve Cannon Street trains unable to call at London Bridge. The completion of the Thameslink Programme works at London Bridge, scheduled for 2018, will involve an extensive recast of services across Kent and other counties.
- 4.6 The principal gain from the new Thameslink programme in Kent will be the Maidstone East line. As a direct result of negotiations by KCC officers with officials at the DfT, it was agreed that the original proposal to have Tunbridge Wells as the main destination for Thameslink in Kent was replaced by Maidstone East
- 4.7 This had two benefits: first, Tunbridge Wells (and all stations to Hastings) retain their Cannon Street services which would otherwise have been withdrawn; second, Maidstone East, West Malling (for Kings Hill), Borough Green & Wrotham, Otford and Swanley gain a direct half-hourly peak service to and from the key City stations of Blackfriars, City Thameslink, Farringdon and St Pancras, with a part off-peak service strengthening the overall offer.

- 4.8 This new service will deliver a significant increase in capacity for the Maidstone East line; it will relieve congestion on the Sevenoaks line by removing rail-heading for commuters to the City; and it will provide a direct City service with modern, efficient trains as part of the core Thameslink network.
- 4.9 There is also a pressing need for the electrification of the line between Ashford and Ore (near Hastings) so that the Marshlink line can benefit from electric rolling-stock and a consequent increase in capacity through 4-car rather than 2-car operation. Network Rail is committed to considering the inclusion of this upgrade in their next Control Period (CP6) which starts in 2019.
- 4.10 A related objective which may be delivered later (subject to Government approval for new rolling-stock) would be an extension of the High Speed service from Ashford to Hastings and Bexhill via Rye. This would offer Hastings and Bexhill in East Sussex a greatly improved service to and from London, and would also bring significant extra capacity to Tunbridge Wells, Tonbridge and Sevenoaks through additional seat availability on the existing services.
- 4.11 The high level of passenger numbers using the busiest stations in Kent should also be a key factor in the determination of future plans for station and route enhancement. The table below demonstrates the very high levels of use at the busiest West Kent stations served by Mainline and Metro, and at the most popular East Kent stations served by High Speed:

KENT STATIONS WITH FOOTFALL > 1.5M IN 2009/10

Station	Footfall
Tonbridge	3,983,778
Sevenoaks	3,758,990
Tunbridge Wells	3,414,482
Dartford	3,033,670
Ashford International	2,756,090
Gravesend	2,502,232
Sittingbourne	2,034,546
Maidstone East	1,889,886

5. Conclusions

- 5.1 Network Rail has planned – and in some cases has already implemented - the following principal interventions between 2014 and 2019, although it should be noted that most of these would be dependent on funding and rolling stock procurement by the existing and new franchises:

- (i) implement committed schemes as planned, including Thameslink and train lengthening;
- (ii) commence detailed development of post-Thameslink timetable, with peak services generally modified to run at 15 or 30 minute intervals;
- (iii) further train lengthening in Control Period 5 (2014-2019) with approx. 100 extra coaches to ensure all high peak trains and the busiest shoulder peak trains run with maximum capacity;
- (iv) improve access to stations and integration with other transport modes;
- (v) prioritise incremental journey time improvements.

5.2 KCC, with clear policy initiatives set out in the recommendations of the Rail Action Plan for Kent, has succeeded through negotiations with the DfT, ORR, Southeastern Railway and Govia Thameslink Railway, in influencing the delivery of enhanced capacity and improved rail services on both High Speed and Mainline routes in the January 2015 timetable. The Council will continue to exercise its influence by informing future rail policy with Government and rail operators, so that Kent's rail service continues to meet the demands of the county's growing economy.

6. Recommendation:

The Growth, Economic Development and Communities Cabinet Committee is asked to note and welcome the report.

7. Background Documents

7.1 Rail Action Plan for Kent (KCC, April 2011), available at www.kent.gov.uk

8. Contact details

Report Author:

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Relevant Director:

Paul Crick
Director of Environment, Transport and Enforcement
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By: Mark Dance
Cabinet Member for Economic Development

Barbara Cooper
Corporate Director – Growth Environment and Transport

To: Growth, Economic Development and Communities Cabinet Committee - 22 January 2015

Subject: Local Growth Fund: Governance and oversight arrangements

Classification: Unrestricted

Past pathway of paper: None

Future pathway of paper: None

Electoral Division: All

Summary

Last year, the Government allocated £442.1 million from the Local Growth Fund to the South East Local Enterprise Partnership (LEP). This funding is primarily for investment in transport schemes to be delivered by the Local Transport Authorities including KCC.

This report sets out proposed arrangements for receipt, governance and oversight of the Local Growth Fund allocation. These include the establishment of a Joint Committee for the South East LEP area (referred to as an 'Accountability Board' and a Joint Committee for Kent and Medway. It is proposed Kent County Council shall be a constituent authority of both.

The Growth, Economic Development and Communities Cabinet Committee is recommended to:

- a) Consider this report;
- b) Recommend that subject to i) receipt of a grant agreement from Government; and ii) the agreement of terms of reference with the Government and with other relevant local authorities, the County Council determines that it shall become a constituent authority of a South East LEP Accountability Board and a Kent and Medway Joint Committee.

1. Background

- 1.1. In July 2014, the Government allocated £442.1 million from the Local Growth Fund (LGF) to capital projects across the South East Local Enterprise Partnership area, which covers Kent and Medway, Essex and East Sussex. Of this, £133 million is specifically allocated to Kent and Medway as follows:

Transport projects	£127.0 million
<i>Kent</i>	£98.4 million
<i>Medway</i>	£28.6 million
Business Growth	£6.0 million
<u>Total</u>	<u>£133.0 million</u>

- 1.2. This funding is allocated to specific individual schemes, most of which will be delivered by the Local Transport Authorities. It is possible that the allocation will be supplemented with additional funds following future rounds of LGF.
- 1.3. To date, no grant agreement from the Government has yet to be received. However, it is expected to set out the degree of flexibility on offer to the LEP, how funds will be transferred and any conditions imposed on the use of the grant.

2. Ensuring governance and oversight

- 2.1. In order to receive funding, the Government will require LEPs to demonstrate that they have effective governance arrangements in place. However, at present, the South East LEP (like many other LEPs) is an informal partnership, with no delegated authority to make decisions regarding the use of public funds.
- 2.2. The South East LEP therefore commissioned a review of governance options, which reported in December. This sought to establish how a clear programme oversight and decision-making framework could be put in place to satisfy the Government's requirements. Following the review, it is recommended that the following bodies should be established:
 - a) **A Joint Committee of Kent County Council and Medway Council** established under Section 101 of the Local Government Act 1972. It is envisaged that the Joint Committee will monitor progress in delivering schemes in Kent and Medway that are funded by the Local Growth Fund. Subject to the conditions of the grant agreement with Government, it will also determine the reallocation of funds between projects in the event of scheme delays and changes to spend profile, below a certain threshold, which is to be determined.
 - b) An **'Accountability Board' operating across the South East LEP area** and constituted as a Joint Committee of the six Local Transport Authorities (i.e. KCC, Medway, Essex, Thurrock, Southend and East Sussex), with non-voting private sector representation. The Accountability Board will maintain oversight of the whole LEP Local Growth Fund programme and will determine major variances *above* a certain threshold, with the exception of certain major schemes that Government may request are reported directly to the Department for Transport.

- 2.3. Both Committees will be supported by the Section 151 officers of each constituent authority.
- 2.4. The basic model of a Joint Committee operating alongside the LEP has been widely adopted nationally. While a number of other structures have been considered (and are summarised in Annex 1), the Joint Committee model appears to be the most suitable governance arrangement in aligning decision-making with the project risk held by the transport authorities. The existence of Joint Committee structures for Kent and Medway and for the LEP as a whole should ensure that the majority of decisions are made locally, while giving Government confidence that the LEP structure is able to determine major variances of regional significance.
- 2.5. In addition, regular monitoring reports will be made to the Kent and Medway Economic Partnership and the Cabinet Committees for Growth, Economic Development and Communities and for Environment and Transport.

3. Drawdown of funding

- 3.1. The Government intends that funds will be transferred to the South East LEP via a single grant agreement. All funds will be paid from Government to Essex County Council, which acts as the accountable body for the LEP.
- 3.2. Subject to the provisions set out in the grant offer, it is envisaged that Essex County Council will enter into subordinate grant agreements with each county and unitary authority for the schemes within its area. It is intended that these subordinate agreements will pass on all flexibilities and requirements.
- 3.3. It is likely that LGF funds will be made available quarterly in advance of need. However, it may be possible to receive annual advance payments once the Government has confidence in the LEP's governance arrangements.

4. Next steps

- 4.1. It is anticipated that a grant agreement will be received by the end of February. Once a grant agreement has been received and there is clarity regarding the flexibilities and requirements included within it, full terms of reference will be drawn up. Following this, it is envisaged that recommendations for the appointment of Members to both Committees will be considered at Selection and Member Services Committee on 5 March, subject to the decision of County Council on 26 March.
- 4.2. In parallel, the establishment of the Kent and Medway Joint Committee is being considered by Medway Council, and the establishment of the Accountability Board by the other five South East LEP county and unitary authorities.
- 4.3. Subject to approval by all constituent authorities, it is intended that the new Committees will be operational from 1 April 2015.

5. Recommendations

The Cabinet Committee is recommended to:

- a) CONSIDER this report;
- b) RECOMMEND that subject to:
 - i) receipt of a grant agreement from Government; and
 - ii) the agreement of terms of reference with the Government and with other relevant local authorities,

the County Council determines that it shall become a constituent authority of a South East LEP Accountability Board and a Kent and Medway Joint Committee.

Background documents: None

Contact details

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Relevant Director:

David Smith

Director of Economic Development

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From: Peter Sass, Head of Democratic Services

To: Growth, Economic Development and Communities Cabinet Committee – 22 January 2015

Subject: **Work Programme 2015**

Classification: **Unrestricted**

Past Pathway of Paper: Growth, Economic Development and Communities Cabinet Committee meeting - 2 December 2014

Future Pathway of Paper: Standard agenda item

Summary: This report gives details of the proposed work programme for the Growth, Economic Development and Communities Cabinet Committee.

Recommendation: That the Growth, Economic Development and Communities Cabinet Committee considers and agrees its Work Programme for 2014/15.

1. Introduction

- 1.1 The proposed Work Programme, appended to the report, has been compiled from items in the Future Executive Decision List and from actions arising and from topics identified at the agenda setting meetings, held 6 weeks before a Cabinet Committee meeting in accordance with the Constitution, by the Chairman, Mr Wickham, Mr Holden, Vice Chairman and 3 Group Spokesmen, Mr Clarke, Mr Truelove and Mr Baldock.
- 1.2 Whilst the Chairman, in consultation with the Cabinet Member, are responsible for the programme's fine tuning, this item gives all Members of this Cabinet Committee the opportunity to suggest amendments and additional agenda items where appropriate.

2. Terms of Reference

- 2.1 At its meeting held on 27 March 2014, the County Council agreed the following terms of reference for the Growth, Economic Development and Communities Cabinet Committee '*To be responsible for those functions that fall within the responsibilities of the Director of Economic Development as well as some functions transferred from the former Communities Directorate and now located within the Growth, Environment and Transport Directorate*'. The functions within the remit of this Cabinet Committee are:

Economic Development

Economic & Spatial Development

Strategy & Development

International Affairs

Regeneration Projects including Grant and Loan schemes and other 'bid for funded' projects

LEP reporting and monitoring

Kent Film Office

Communities

Arts

Sport

Libraries

Registration and Archives

Volunteering

Big Society

3. Work Programme 2014/15

- 3.1 The proposed Work Programme has been compiled from items in the Future Executive Decision List and from actions arising and from topics, within the remit of the functions, listed in paragraph 2.1 above, of this Cabinet Committee, identified at the agenda setting meetings [Agenda setting meetings are held 6 weeks before a Cabinet Committee meeting in accordance with the Constitution]. The attendees of the agenda setting meetings are; Mr Wickham, (Chairman), Mr Holden, (Vice Chairman) and 3 Group Spokesmen, Mr Clarke, Mr Truelove, Mr Baldock; and Mr Dance (Cabinet Member for Economic Development) and Mr Hill (Cabinet Member for Community Services).
- 3.2 An agenda setting meeting was held on 4 December 2014, when Mr Wickham, Mr Holden Mr Clarke, Mr Dance and Mr Hill were present when items for this meeting's agenda were agreed and future agenda items were noted. The Cabinet Committee is requested to consider and note the items within the proposed Work Programme, set out in appendix A to this report, and to suggest any additional topics to be considered at future meetings where appropriate.
- 3.3 Future agenda setting meetings are scheduled to be held on Monday, 2 March 2015, Tuesday, 26 May 2015, Tuesday, 28 July 2015 and Tuesday, 13 October 2015.
- 3.4 When selecting future items the Cabinet Committee should give consideration to the contents of performance monitoring reports. Any 'for information' items will be sent to Members of the Cabinet Committee separately to the agenda and will not be discussed at the Cabinet Committee meetings.

4. Conclusion

- 4.1 It is vital for the Cabinet Committee process that the Committee takes ownership of its work programme to deliver informed and considered decisions. A regular report will be submitted to each meeting of the Cabinet Committee to give updates of requested topics and to seek suggestions for future items to be considered. This does not preclude Members making requests to the Chairman or the Democratic Services Officer between meetings for consideration.

<p>5. Recommendation: The Growth, Economic Development and Communities Cabinet Committee is asked to consider and agree its work programme for 2015.</p>

6. Background Documents

None.

7. Contact details

Report Author:

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GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE
WORK PROGRAMME 2015

(Members agreed that the number of jobs, being created through the work being undertaken in the reports presented to the Cabinet Committee, should appear at the top of each report where appropriate)

FORTHCOMING EXECUTIVE DECISIONS		
Decision	Decision Maker	Lead officer
None at Present		

STANDARD AGENDA ITEMS	
Item	Cabinet Committee to receive item
Verbal updates by the Directors and Cabinet Members	At each meeting
Portfolio Dashboard	At each meeting
Budget Consultation	Annually (November/December)
Final Draft Budget	Annually (January)
Annual Equality and Diversity Report	Annually (September)
Work Programme	At each Meeting

GEDC Cabinet Committee Meeting Dates 2015: Thursday, 22 January
 Tuesday, 14 April
 Tuesday, 7 July
 Tuesday, 15 September
 Tuesday, 1 December

PROPOSED FUTURE ITEMS

Agenda Item	Date requested	Cabinet Committee meeting
Paramount Theme Park project on Swanscombe Peninsular	29/07/2013	Master Plan to a meeting in 2015
Shipping in Kent Ports – (Marine diesel) <i>request by the Cabinet Member</i>		Part of Cabinet Members verbal update to 7 July 2015 meeting
Ebbsfleet Garden City UDC	14/10/2014 at agenda setting meeting	Master Plan to 14 April meeting
Support for Start Ups and Entrepreneurs	14/10/2014 at agenda setting meeting	14 April meeting
2020 Business Show	14/10/2014 at agenda setting meeting	Members to be advise of date and time of show
Manston Site (Invite Paul Barber)	14/10/2014 at agenda setting meeting	Master Plan to 7 July or 15 September meeting

PRESENTATIONS		
Thanet Seafront	14/10/2014 at agenda setting meeting	7 July 2015 Update to include Dreamland
The current position with sports education in our Secondary Schools, looking at participation but also competitive activity, the opportunities for excellence and working with sports bodies and professional sport	3/12/2014 by Mr Truelove	14 April 2015 meeting (Include Education and Young People's Services Directorate in this)
Kent Universities to be invited to future meeting to give a presentation on issues raised by Mr Truelove	4/12/2014 at agenda setting meeting	David Smith to liaise with Universities
Kent Universities to be invited to present on sports, arts etc	4/12/2014	15 September 2015
VISITS		
VISIT: TIGER and Escalate - <i>Request by Chairman</i>	11/12/2013	Jacqui Ward to organise ½ day visits 10.00 am - 2.00 pm
VISIT: Discovery Park	14/10/2015 at agenda setting meeting	David Smith to organise

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