

**GROWTH ECONOMIC DEVELOPMENT AND
COMMUNITIES CABINET COMMITTEE**

Tuesday, 14th April, 2015

10.00 am

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



AGENDA

GROWTH ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE

Tuesday, 14 April 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 A H T Bowles, Mr D L Brazier, 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 Membership

Members are asked to note that Mr Brazier has replaced Mr Balfour on this Cabinet Committee

A3 Apologies and Substitutes

To receive apologies for absence and notification of any substitutes present

A4 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

A5 Minutes of the meeting held on 22 January 2015 (Pages 7 - 16)

To consider and approve the minutes as a correct record

A6 Extraordinary meeting - 20 May 2015

Members are asked to note that an extraordinary meeting will be held at 2pm on 20 May 2015 to discuss the proposed new model for Kent Libraries.

A7 Verbal updates

To receive verbal updates from the relevant Cabinet Members and the Corporate Director for the Growth, Economic Development portfolio

A8 Presentation by Greenwich University

A9 Manston Airport Under Private Ownership: The Story to Date and Future Prospects (Pages 17 - 32)

To receive an update from the Leader of the Council and the Director of Economic Development

B - Key or Significant Cabinet/Cabinet Member Decision(s) for Recommendation or Endorsement

B1 Local Growth Fund - Governance arrangements (Pages 33 - 42)

To receive a report by Cabinet Member for Economic Development and the Corporate Director for Growth, Environment and Transport that explains the proposed governance arrangements to manage funding received from the Local Growth Fund and asks the cabinet committee to consider and endorse or make recommendations on the proposed Cabinet Member decision

B2 Southborough Hub (Pages 43 - 128)

To receive a report of the Cabinet Member for Community Services and the Corporate Director for Growth, Economic Development and Transport and asks the Cabinet Committee to consider and endorse, or make recommendations to the Cabinet Member for Community Services on a proposed decision

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

C1 Growth Environment and Transport Directorate Business Plan (2015/16) (Pages 129 - 176)

To receive a report by the Leader of the Council, the Cabinet Member for Economic Development, the Cabinet Member for Community Services and the Corporate Director for Growth, Environment and Transport that outlines the draft

Growth, Environment & Transport Directorate Business Plan (2015-16) for consideration and comment, prior to publication online in May 2015

C2 EU funding Programmes 2014-20 - Kent projects and schedule of Calls (Pages 177 - 198)

To receive a report by the Cabinet Member for Economic Development and the Corporate Director for Growth, Environment and Transport that provides: an updated pipeline of potential EU-funded projects; information on the new EU funding programmes with a schedule of application dates; and details of the Kent projects submitted to the First Call for proposals under the Interreg '2-Seas' programme

C3 RGF Programme and Framework for Monitoring Report (Pages 199 - 212)

To receive a report by the Cabinet Member for Economic Development that asks the Members of the Growth, Economic Development and Communities Cabinet Committee to note and agree the framework for future reports

C4 Work Programme 2015 (Pages 213 - 224)

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

D - Monitoring of Performance

D1 Performance Dashboard (Pages 225 - 236)

To receive a report by the Cabinet Member for Economic Development, the Cabinet Member for Community Services and the Corporate Director for Growth, Economic Development and Transport that contains the Growth, Economic Development and Communities Performance Dashboard showing progress against targets set for Key Performance Indicators

D2 Risk Management - Strategic Risk Register (Pages 237 - 258)

To receive a report by the Cabinet Member for Economic Development, the Cabinet Member for Community Services and the Corporate Director for the Growth, Economic Development and Transport that presents the strategic risks within the remit of the Growth, Economic Development and Communities Cabinet Committee, in addition to a risk featuring on the Corporate Risk Register for which the Corporate Director is the designated 'Risk Owner'. The paper also sets out the management process for review of key risks

E - FOR INFORMATION ONLY - Key or significant Cabinet Member Decisions taken outside the Committee meeting cycle

E1 Information on a Key Decision (Pages 259 - 262)

Members of the Growth, Economic Development and Communities Cabinet Committee are asked to note a decision taken in accordance with procedures for special urgency set out in The Local Authorities (Executive Arrangements) (Meetings and Access to Information) 2012 regulations

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, 2 April 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.

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 Thursday, 22 January 2015.

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

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

GUESTS: Mr K Mansfield, Economic and Community Services Manager Swale Borough Council and Mr P Wookey, Chief Executive, Locate in Kent, Chief Executive, Locate in Kent

IN ATTENDANCE: Mrs B Cooper (Corporate Director of Growth, Environment and Transport), Mr R Gill (Economic Policy and Strategy Manager), Mr D Smith (Director of Economic Development), Mr P Crick (Director of Environment, Planning & Enforcement), Mr S Gasche (Principal Transport Planner – Rail), Mr K Tilson (Finance Business Partner - Customer & Communities), Ms J Ward (Senior Partnership Officer) and Ms C A Singh (Democratic Services Officer)

UNRESTRICTED ITEMS

53. Apologies and Substitutes
(Item A2)

Apologies were received from Mr Kite and Mr Lymer.
Mr Marsh was present as substitute for Mr Kite and Mr Davies was present as substitute for Mr Lymer.

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

Mr McKenna made a declaration regarding Item B3 “Rail Capacity in Kent to support Economic Growth” as he was a full time employee of Network Rail.

55. Minutes of the meeting held on 2 December 2014
(Item A4)

RESOLVED that the Minutes of the meeting held on 2 December 2014 are correctly recorded and that they be signed by the Chairman.

56. Verbal updates
(Item A5)

1. The Cabinet Member for Community Services, Mr Hill, gave his verbal update advising that the consultation on Kent Libraries had been launched on 12 January 2015 and would close on 16 April. A series of 27 Roadshows would be held across the County when the details of the future of Libraries would be explained. Members had been sent details of the dates and times of the Roadshows and were welcome to attend.
2. The Cabinet Member for Economic Development, Mr Dance, gave his verbal update on the North West of the County explaining that he viewed the Urban Development Corporation in Ebbsfleet and the Paramount Theme Park project in synergy. The Paramount Theme Park would require rail infrastructure to transport visitors to and from the site via High Speed 1, Southeastern and Eurostar. He considered Kent would need to lobby for Crossrail to be extended from Abbey Wood through to Ebbsfleet.
3. Mr Dance and Mrs Cooper then spoke on Operation Stack [This was within the portfolio of Mr Brazier, Cabinet Member for Environment and Transport although it impacted on issues within the remit of this Cabinet Committee] resulting from a fire in the Channel Tunnel. Mrs Cooper advised that she had sent Members of the County Council an update regarding Operation Stack on the evening of 21 January 2015. It was unlikely that Operation Stack would be lifted before Friday, 23 January. It was not anticipated that there would be welfare issues for the lorry drivers caught up in Operation Stack. There was little KCC could do in this matter as this was a Police lead incident with support from the Highways Agency. KCC had responsibility regarding the transportation of livestock. Those lorries would be taken out of the line earlier.
4. The situation was exacerbated by electrical faults in the Tunnel. This incident had coincided with the ferry companies taking ships out for winter refurbishment and repairs, in what was normally their quietest time. Mrs Cooper advised that she would receive further updates on Operation Stack through the day.
5. Mrs Cooper advised that KCC representatives had met with Dover Harbour Board, Euro Tunnel and the Police to discuss long term solutions. Members were reminded that Operation Stack had not been instituted more than five or six times in the last five years.
6. Mr Dance and Mrs Cooper noted comments as follows:
 - a) There were over 2000 lorries currently parked on the motorway to Dover which raised the question on how many lorry parks would be needed to accommodate them.
 - b) It was reported that the toilet facilities provided for the lorry drivers were a mile apart.
7. RESOLVED that the information in the verbal update be noted.

57. PRESENTATIONS:

(Item A6)

(Verbal presentations by Mr A Bowles, Leader of Swale Borough Council, accompanied by Mr K Mansfield, Economy and Community Services Manager, Swale Borough Council, and Mr P Wookey, Chief Executive, Locate in Kent)

1. The Leader of Swale Borough Council, Mr Bowles, and Mr Mansfield, Economy and Community Services Manager, Swale Borough Council, gave a presentation using overheads on the current and future aspirations for economic growth in Swale.

2. Mr Bowles and Mr Mansfield responded to questions by Members which included the following:-

- a) Mr Mansfield advised that although there had been discussions with Universities linked into the particular technologies in companies within the Kent Science Park there was more focus on securing a Further Education facility.
- b) Mr Bowles advised that there was a major leakage of retail spending from the borough's town centre to Canterbury, Maidstone and Bluewater. It was considered that the economic regeneration of the Town Centre would bring employment and an improvement on the viability of the existing high street.
- c) Mr Bowles considered that local residents had been consulted and now wanted to see the results. He considered that Swale was one of the most successful boroughs in completing housing projects, some of which were affordable housing. Housing close to the railway station and town centre had to be suitable for those areas. Parking within the town centre had been calculated on the number of visitors expected and designed accordingly.

3. Mr Dance advised that there had been discussing the possibility of hosting a small conference for Maritime industries. There were a lot of building projects happening along the Medway and Thames Rivers and the rivers could be utilised to transport aggregate and metal. He saw Swale and Sheerness as major players in this. Mr Bowles said that he supported the initiatives and reminded the Committee that the Port of Ridham had its own rail head.

Mr Wookey, Chief Executive, Locate in Kent

4. The Cabinet Member, Mr Dance, introduced the item explaining that Locate in Kent's budget: the contribution was being reduced by £100k per year. The foreign investment budget was agreed at £150k per annum for up to 3 years to be reviewed after year two.

5. The Chief Executive of Locate in Kent, Mr Wookey, gave a presentation using overheads. Locate in Kent had been in a new contractual arrangement with KCC from March 2014. He explained that Locate in Kent's role was to attract new investment into Kent and create jobs in types of industries that Kent wished to

attract. Locate in Kent also supported businesses and investors that had already invested in the County.

6. Mr Wookey noted comments and responded to questions by Members as follows:

- a) Mr Wookey explained that the targets set for Locate in Kent were based on the number of jobs created. Under the contractual arrangements there were various service levels and service credits which were monitored on a monthly basis and assessed each March.
- b) Mr Wookey agreed with the comment that perceptions on quality of life depended on who and where you were, as there were many different inequalities. It would be difficult to attract high quality high value jobs in an area where the perception was poor. Mr Wookey advised that when an area is regenerated the perceptions improved. Mr Hill gave the example of the work carried out in Margate and Folkestone through the creative quarter.
- c) Mr Wookey agreed to report back to this Cabinet Committee on the progress of the Kent Life Science Network.

7. RESOLVED that:-

- a) the responses to questions by Members be noted;
- b) a report be submitted to a future meeting on the Kent Life Science Network; and
- c) the information given in the presentations by Mr Bowles, Mr Mansfield; and Mr Wookey be noted with thanks.

58. Budget 2015/16 and Medium Term Financial Plan 2015/18
(Item B1)

(Report by Mr J Simmonds, Deputy Leader and Cabinet Member for Finance and Procurement, Mr M Dance, Cabinet Member for Economic Development, Cabinet Member for Community Services Mr A Wood Corporate Director for Finance and Procurement and Ms B Cooper, Corporate Director for Growth Environment and Transport)

(Mr K Tilson, Finance Business Partner, GEDC Directorate, was also present for this item)

1. The Finance Business Partner, Mr Tilson, introduced the report explaining that it sets out the financial assumptions made in formulating the budget when it was sent out for consultation on 9 October [Feedback from the consultation in its appendices 5 and 6 of the report] that indicated the savings that needed to be made in the next 3 years. The Provisional Settlement, received on 18 December, meant that those assumptions were broadly in line. The one change was the receipt of an

additional £6 million from council tax and rebates from district councils, which allowed for pressures to be funded and saving requirements to be reduced.

2. The budget 2015/16 was launched on 12 January 2015 and would be considered by the County Council at its meeting on 12 February.

3. Mrs Cooper and Mr Tilson noted comments and responded to questions by Members as follows:

- a) Mr Tilson advised that the consultation on the Kent Libraries was on going. There were no savings for 2015/16 for the Libraries Registration and Archives or the Trust as the outcome for the consultation was not yet known. The savings of £710k from staffing, was to make the management team, back office and support team as lean as possible prior to the transfer to a Trust or any other option. There was a four year reduction to the book fund made in 2014, £150k came from the book fund in the current year and a further £150k would be taken out next year.
- b) The income referred to was in relation to Registration and the amount of income was unknown as the number of ceremonies was not known each year but was based on the last 3 to 4 years when there had been a consistent level of income.
- c) Mr Tilson agreed to forward the formula calculations on the Community Services section of the Budget 2015/16 to Members.
- d) Mr Tilson agreed to circulate in detail how the savings were going to be delivered on the Gypsy and Travellers budget.
- e) Mrs Cooper advised that from an economic development point of view the key capital projects were the transport projects which were important to unlock residential or commercial sites. There were also capital projects for "No Use Empty". This was an excellent initiative KCC had with the district councils which helped with the quality of life and perception of an area.
- f) The Rendezvous site was situated next to the Turner Contemporary Art Gallery and the Winter Gardens, Margate. KCC owned the land and was looking at options for building a hotel at that location. Mrs Cooper agreed to arrange a visit to Margate and suggested that the visit included the Dreamland site, Turner Contemporary and Margate town.
- g) Mr Tilson advised that there was no reduction in Road Safety but the way in which it was being funded had changed.

4. RESOLVED that:-

- a) the responses to questions by Members be noted;
- b) a Member visit to Margate be arranged as detailed in paragraph (d) above; and
- c) the Growth Economic Development and Communities Cabinet Committee noted the draft budget 2015/16 and MTFP 2015/18 (including the responses to the consultation and government announcements) prior to them being considered by Cabinet on 28 January and the County Council on 12 February 2015.

59. Update on Regional Growth Fund Programmes

(Item B2)

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

(Mrs J Ward, Regional Growth Fund Programme Manager, was present for this item)

1. The Cabinet Member, Mr Dance, introduced the report and gave a brief history of the RGF programmes.

2. The Regional Growth Fund Programme Manager, Mrs Ward, advised that some of the figures in the report had changed since the report was published as this was an ongoing process and spoke on how the funding was issued to companies and the monitoring procedures.

3. Mr Dance, Mrs Cooper and Mrs Ward noted comments and responded to questions by Members as follows:

- a) Mrs Ward advised that her Team was working on the format of a loan book which would simplify the information regarding the companies, with headings on; the allocation of the funding; deadlines; and RAG ratings. This information in its simplified format would be ready for the next quarterly report.
- b) Mrs Ward explained that RGF was given out in tranches and repayments were made by the company in monthly instalments. Companies were sometimes allowed to have repayment holidays.
- c) A comment was made that this was a tremendous initiative and had been well received but there were concerns whether we were rigorous enough with the awards as the percentage of those companies within the red status of the RAG rating was high. Mrs Ward referred to page 57 of the report regarding the actions taken on the number of companies marked Red in the RAG rating.
- d) Mrs Cooper referred Members to page 56 which explained that there were two loan repayment periods per financial year from September 2014 to March 2015. As of 30 September 2014 the received amount represented an achievement rate of 99.61% of the expected total. The remaining funds for the current financial year 2014/15 would be received in March 2015.
- e) Mr Dance assured Members that the three RGF programmes would be carried out with due diligence.
- f) Members noted that a further report would be submitted to this Cabinet Committee on the milestones after March 2015.

4. RESOLVED that:-

- a) the comments and the responses to questions by Members be noted; and
- b) the progress to date in delivering the three Regional Growth Funds Programmes; Expansion East Kent, Tiger and Escalate and a quarterly report be submitted to a meeting after March 2015 be noted.

60. Rail Capacity in Kent to support Economic Growth

(Item B3)

(Report by Mr D Brazier, Cabinet Member for Environment and Transport and Ms B Cooper Corporate Director for Growth, Environment and Transport)

(Mr P Crick, Director of Environment, Transport and Enforcement, and Mr Stephen Gasche, Principal Transport Planner – Rail, were also present for this item)

1. The Director of Environment, Transport and Enforcement, Mr Crick, and the Principal Transport Planner – Rail, Mr Gasche, introduced the report on the work undertaken through the Rail Action Plan for Kent and negotiations with the Department for Transport, the office of Rail Regulation and Southeastern Railway and Govia Thameslink Railway to enable a significant increase in rail capacity in Kent.

2. The Chairman outlined the concerns; he had received by letter, from a member of the public, Mr J Baker, regarding the lack of car parking and taxi spaces at the Canterbury West Station. Mr Gasche advised that he was aware of the issues and aware that there had been some improvements made at Canterbury West Station by Southeastern Railway that owned the station car park and Canterbury City Council that ran the adjacent car park but they had reached the limit of available space short of decking, which was an option that had been carried out at other stations. One of the problems of High Speed was the demand for car parking exceeded the capacity at the stations. Further discussions would be held with Southeastern Railway and Canterbury City Council but there was not much more KCC could do.

3. Mr Crick and Mr Gasche noted comments and responded to questions by Members which included the following:

- a) Mr Crick advised that he would take up the issue of trains arriving at Teynham, Sittingbourne and Newington with four carriages rather than eight with Southeastern Railway.
- b) Mr Crick advised that he was aware of the possibility of Peel Ports, Sheerness, using the rail head at Sheerness for freight movements and this was encouraged.
- c) Mr Crick noted the comments regarding car parking in Canterbury. He advised that KCC was promoting Thanet Parkway Station, a new station between Minster and Ramsgate, which would help, further east of the County, with car parking and have an indirect benefit to Canterbury.
- d) Mr Gasche noted the comment made regarding Canterbury City Council's Strategic Plan stating that over 400 car parking places were being withdrawn which would add to the issues of lack of car parking spaces.
- e) Mr Gasche advised that the journey time from Thanet Parkway to London Stratford would be approximately one hour which would rely on the journey time improvement scheme and other improvements scheme.

- f) Mr Gasche acknowledged that there had been some issues at Kings Cross and Paddington Station with routine engineering work. The track record with network rail planned engineering work had been very good in terms of being on time. The Southern part of London Bridge was delivered on time.
 - g) Members congratulated officers for the work undertaken to increase the rail capacity in Kent.
 - h) Mr Crick explained that he was aware that Westenhanger and Sandling Stations were not being served by the High Speed Rail Network and would not be. Where services were not served by High Speed, KCC met with the train operating companies, Network Rail and the Department of Transport on a quarterly basis to encourage them to improve the service to stations served by the classic rail network. Mr Gasche advised that Kent raised this issue with the Department of Transport and they costed the proposal Kent put to them of one train per hour from Victoria Station via Maidstone East Station and for this service to be extended to at least Folkestone Central or Dover Priory stations, which would deliver two trains per hour and the response to this was that it was not viable with the criteria they used. Mr Gasche considered that a possible option for the future would be if Sandling Station became a stop, but this would slow the High Speed service down by two minutes from Dover to Folkestone but this would be a controversial option.
 - i) Congratulations were given to Mr Gasche on negotiating the return of the Maidstone East City service. Mr Crick thanked Members for their comments and advised that the Rail Action Plan which was adopted by Members in April 2011 gave Kent a firm platform to be able to influence decision makers in London.
 - j) Mr Gasche advised that the Maidstone West Station to Gatwick Airport was a short lived service as the benefit case of this service verses the cost ratio was unviable and was not going to be accepted by the Department for Transport. The only viable way to get to Gatwick from Maidstone was from the Maidstone East Station to Victoria Station then boarding the express service to Gatwick.
 - k) A comment was made that it seemed that travelling through Kent was more important than travelling in Kent and that this was where the economy would improve Kent. Mr Gasche advised that the timetabling was a balance of people wanting to get as far as possible as quickly as possible and those that want to travel within Kent and that it was a matter of getting the right balance.
 - l) Mr Gasche advised that work was being undertaken to improve train journey times in North Kent but if railway stations were to be withdrawn from the routes there would be complaints.
 - m) Mr Gasche welcomed the reinstatement of the Sheerness rail service to Victoria Station.
 - n) Members noted that a Rail Summit was due to be held on 18 May which Members would be invited to.
4. RESOLVED that the responses to questions by Members and the report be noted.

61. Local Growth Fund: Governance and oversight arrangements

(Item B4)

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

1. The Economic Strategy and Policy Manager, Mr Gill, introduced a report that sets out proposed arrangements for receipt, governance and oversight of the Local Growth Fund allocation which included the establishment of a Joint Committee for South East LEP area. It was proposed Kent County Council shall be a constituent authority for both.

2. Mr Gill advised that it had been a challenge with the Local Growth Fund especially in Round 2 as the timescales were very short and because of this was not possible to bring the bids to the Cabinet Committee as they fell outside the Committee's meeting cycle. In the future there should be a longer perspective on the bidding rounds to allow this to happen.

3. A suggestion was made that meetings should be rearranged if necessary so that information can be submitted to the Cabinet Committee in a timely manner.

4. A comment was made that committees supporting the new funds should be kept to a minimum.

5. RESOLVED that:-

a) the comments and responses to questions by Members be noted; and

b) 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 Growth, Economic Development and Communities Cabinet Committee recommended that 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.

62. Work Programme 2015

(Item B5)

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

1. The Chairman sought Members suggestions on future items for consideration at the agenda setting meetings.

2. Members suggested that the following be included in the work programme:

- A report on Registration and Archives – Members were advised that an additional meeting may be required between April and July to meet the deadlines.
 - Presentations from District Councils.
 - Visit to be arranged to the regeneration sites in Margate.
 - A report on Kent Life Science Network.
3. RESOLVED that the Work Programme for 2015 be agreed subject to the items listed in paragraph 2 above being included.

Manston Airport under private ownership:

The story to date and the future prospects

Position statement

Introduction

For decades Kent County Council has made great efforts to develop aviation at Manston Airport.

Manston, with its proud history as a front-line Battle of Britain aerodrome, has long been a symbol of Kent's determination in the face of adversity.

But our desire to stimulate and grow Manston was not the result merely of nostalgia or sentimentality.

For decades we have been aware of the commercial potential of Manston's long, 2,700 metre runway. For decades we have championed Manston's proximity to London. For decades we have argued that Manston was a sleeping giant: a regional and national asset.

Our 2012 policy document 'Bold Steps for Aviation' made all this clear and promoted the development of Manston to the the Government as an alternative to building a controversial new runway in the Thames Estuary.

Our support for Manston has not merely consisted of kind words and encouragement. We have invested substantial sums of public money.

We have made substantial investments in both road and rail infrastructure to improve access to Manston and East Kent.

Our record in supporting Manston is plain to see and we are proud of it.

It was disappointing and regrettable to learn that all our hard work and investment, and the hard work of the various companies that had tried to make flying profitable at Manston, had failed.

Manston's story began in 1915 when it was a small grass airfield operated by the Admiralty. Now a new chapter is about to begin that will bring new jobs and new prosperity to East Kent. It will be our duty to encourage, guide and nurture to help ensure this happens.

This document sets out the story of Manston Airport over the last 16 years, from its sale by the Ministry of Defence to the present day. We also consider the future, which we are confident will be bright.

Hansard 28th April 2014

Robert Goodwill, Parliamentary Undersecretary of State at the Department of Transport

'Whatever the result of efforts to secure such a resolution (on Manston), the government are unable to intervene directly, as we believe that UK airports and airlines operate best in a competitive and commercial environment. It is therefore for individual airports to take decisions on matters of future economic viability.'

Chapter one

The last 16 years of private ownership

Since the Ministry of Defence sold RAF Manston in 1998, the airport has never made a profit and has never delivered on its promise of jobs for the area. When the airport closed on 15th May 2014 144 people were employed there.

Since 1998 three companies have tried and failed to run Manston as a viable business. The Wiggins Group, with its start-up low cost carrier EUJet, launched scheduled flights to twenty one destinations in Europe in 2004 but collapsed into administration in the summer of 2005 leaving 5,400 passengers stranded. Its fleet of five 108-seat Fokker 100 jets were repossessed by Debis Air Finance.

Infratil Limited, which bought Manston from the administrators in 2005, lost between £40 - £50 million over the next nine years attempting to achieve passenger numbers of over a million per annum. The highest number of passengers was 50,000. Similarly its ambitious plan to grow freight traffic failed.

Lothian Shelf (718) Limited, a company owned by Mrs Ann Gloag, bought Manston for £1 in November 2013. In the next 4 months the airport made revenue losses of £100,000 per week plus significant capital losses.

Mrs Gloag's decision to sell the airport was based on an assessment that these losses could not be sustained. Mr Trevor Cartner and Mr Chris Musgrave acquired 80 per cent of the site through an investment in Lothian Shelf (718) Limited in order to provide space for a wide range of businesses, with a focus on attracting companies in the manufacturing sector, as well as the provision of housing, shops, schools and community facilities.

Chapter two

The Wiggins era 1998-2005

In 1998 Wiggins Group acquired Manston Airport for £4.75 million. Its company accounts show that between 1999 and 2002 the company reported losses of £8.6 million, with a further loss of around £2 million reported over the next two years.

In January 2004 Wiggins Group renamed itself Planestation and later that year Planestation bought 30 per cent of airline company EUJet.

In September 2004 EUJet operated flights to destinations across Europe. That year Planestation's losses were £73 million and the company had to borrow £46 million at an interest rate of 28%. In December Planestation bought the remaining 78 per cent of EUJet.

In its busiest month in early 2005 the airport carried 62,709 passengers. EUJet's aim had been to handle over 750,000 passengers per annum but the company became insolvent and went into administration.

In July 2005 all EUJet operations were suspended along with all non-freight operations.

Mr Tony Freudmann had overseen Manston's transfer from an RAF base to a commercial operation. He was Senior Vice President of Wiggins Group between 1994 and 2005. He was 'let go' by Wiggins in February 2005. He is now the spokesman for the RiverOak consortium.

The Wiggins Group and Planestation failed in their ambition for Manston to become a successful international airport; but even then, more than 10 years ago, they also had ambitions for property development on the airport site, in collaboration with property developers MEPC plc.

Chapter three

INFRATIL 2005-2013

Infratil Limited is a successful company listed on the New Zealand stock exchange with the primary purpose of investing in electricity distribution, public transport and ports. The company was established in 1994 with NZ\$50m of capital. At the time it acquired Manston and Prestwick airports it controlled assets worldwide in excess of NZ\$ 4.4 billion.

Following Wiggins' demise, Infratil Limited bought Manston Airport from the Administrator for £17 million in August 2005.

In addition to Manston, Infratil also owned Prestwick, Flughafen Lubeck, Wellington and Auckland Airports. Its master plan for Manston (published in November 2009) envisaged building a new passenger terminal to accommodate up to 3 million passengers per annum. It also envisaged building a parallel taxi way to the runway and an increase in the freight and passenger aprons. At the time of publishing its plan the airport was handling 32,000 tonnes of freight per annum. The master plan envisaged freight growth of between 4% and 6% per annum to equate to approximately 167,000 tonnes of freight per annum by 2018. It also planned on developing corporate jet facilities with an executive terminal.

In 2009 the airport was handling fewer than 50,000 passengers per annum. Infratil forecast that by 2014 this figure would rise to 527,000, by 2015 to 1,268,000 and by 2033 to more than 4.7 million passengers per annum. In 2009 the airport employed approximately 100 people, some full time and some part time. Infratil forecast that they would be employing more than 500 staff by 2014, 2,800 by 2018 and 6,150 by 2033.

When the airport closed in May 2014 there were 144 people employed at Manston Airport.

In 2012 Infratil announced that Manston and Prestwick airports were for sale.

In each year that Infratil Limited owned Manston it incurred losses of more than £3 million per annum and wrote off the purchase price of £17 million.

As at 31 March 2013 Infratil's investment in the UK's airports had a book value of \$20m and over the year a further \$12m was contributed to meet costs. Their sale price crystallised a net economic cost of \$32m."

(Infratil financial results 2013-14)

In 2013 KLM started passenger flights to Schiphol Amsterdam. However, over its 12 months of operation its seventy eight seat Fokker planes were less than half full (42 per cent of capacity). KLM operations at Manston made no significant financial contribution to the cost of running the airport.

In November 2013 Infratil Limited sold Manston Airport and the associated liabilities to a company controlled by Mrs Ann Gloag for £1.

Chapter four

Manston Skyport Limited 2013-2014

Mrs Ann Gloag originally approached Infratil with a view to buying both Manston and Prestwick airports, which were being sold as a package. However, Infratil set a deadline for their sale in order to stem their losses. When the Scottish Government bought Prestwick for £1 Mrs Gloag agreed to buy Manston also for £1.

From the discussions that Kent County Council had had with her and her team we believed that she had every intention to maintain and grow the aviation business at Manston Airport.

She gave a press interview with the Isle of Thanet Gazette on 8 August 2014 to dispel the myths and uncertainty that had been widely propagated by campaign groups opposed to the subsequent closure of the airport.

“Can you please outline the reasons behind your decision to close the airport?”

“The prospect of new passenger and freight opportunities failed to materialise and the scale of the losses meant that there was no credible prospect of the airport becoming profitable.”

“Would you have bought it if you’d known you would have to close it just months later?”

“I wanted to make it a success and I didn’t buy it to close it. Our whole team worked tirelessly to secure new business for the airport but no new operators considered it a viable option. It was only when our aviation team arrived at Manston that we started to discover the scale of the problems.”

“Why did you reject RiverOak’s offers to buy it?”

“They were introduced to us as a potential buyer and in good faith we entered into discussions with them. However, we had serious concerns from the outset about the way RiverOak conducted their business with us. We are aware of the £7 million figure that has been made public by RiverOak. For clarification, the structure of their offer meant the final amount would have been considerably less. They also failed to provide any business plan to back up their claims of future employment or to reassure us that their bid offered commitment to maintain it as an operational airport.”

Prestwick airport made a pre tax loss of £10 million in its final year of ownership under Infratil.

After buying the airport for £1 the Scottish government said it could take a number of years for taxpayers to see a return on public investment in Prestwick.

It announced a £10 million commitment towards ‘operating costs, repairs backlog and improvements to the terminal building.’

Prestwick is continuing to lose £1 million a month.

Chapter five

Support given to Manston by Kent County Council over the past 16 years

Kent County Council's support of Manston as an airport over the last 16 years has been unwavering.

Transport infrastructure

Kent County Council has made or enabled substantial transport and infrastructure investment for the benefit of Manston and the surrounding area.

In 1997 Columbus Avenue was constructed on the north side of the airport at a cost of £1.52 million. These infrastructure works were funded through the European Regional Development Fund and the Single Regeneration Budget.

In 1998 Kent County Council completed the A299 Thanet Way extension of the M2 through to Ramsgate.

In 2000 Kent County Council completed the Ramsgate Harbour Approach Road and in 2009 the Euro Kent link road.

The A256 dualling was completed in 2012 and £87 million was invested in the East Kent Access Road in 2013.

Kent County Council is in the planning stage of the £6.7 million Westwood relief scheme to help growing businesses at Westwood and Manston.

Network Rail has just announced the commencement of its £11 million scheme to reduce journey time between Ramsgate and Canterbury; Kent County Council is contributing £4.5 million to the cost of this upgrade. Kent County Council has also committed £12 million to a new Thanet Parkway Station near Manston.

Business premises

In Spring 2006 Kent County Council acquired the undeveloped area of Manston Business Park, amounting to some 40 acres of developable land, from the Administrator of Planestation plc for £5.35 million.

Manston Business Park and the EuroKent sites subsequently became the key holdings of a joint venture between Kent County Council and Thanet District Council.

By 2015 Manston Business Park has seen the development of industrial units which will be occupied by start-up and small developing businesses.

Support for aviation

In its discussion document Bold Steps for Aviation (May 2012) Kent County Council supported the increased use of Manston Airport and stressed its potential to make a significant contribution to aviation in the UK.

"In Kent, Manston has the potential to make a significant contribution [to the UK's aviation capacity], providing excellent communications to European destinations and reduced flight times."

In addition:

- Over the years Manston has received more than £1 million in financial assistance from Kent County Council. When EUJet commenced its flights in 2004 Kent County Council bought a 1.5% shareholding in EUJet Ops Limited.
- In 2007 Kent County Council provided financial assistance to enable the start of charter flights from Manston to Virginia USA, although these flights were discontinued shortly thereafter.
- Between May 2004 and May 2005 when EUJet Ops Limited was acquired by Planestation Limited, Kent County Council acquired options to buy further shares. Planestation Limited was however put into liquidation and the council's investment had no further value.
- When KLM expressed an interest in starting scheduled flights to Amsterdam, Kent County Council provided £100,000 to Visit Kent, the tourist agency which provided marketing and tourism support.

Support offered to investors at the airport

In March 2013, when Infratil were seeking aviation buyers for the airport, Kent County Council distributed a note offering to help new investment at Manston Airport through:

- Financial assistance from the Regional Growth Fund
- Use of land owned by Kent County Council adjacent to the airport
- Expediting the new Thanet Parkway station
- A Route Development Fund to increase the number of passengers
- Working with airlines and train operating companies to achieve integrated ticketing
- Discussing with Ministers to seek assistance from Government. Kent County Council's offer to any investor with a viable business plan remains open, although to date we have received no take up.

Helping to find a new airport operator

Kent County Council met PWC, the agents selling the airport, with a view to helping find a viable new owner/operator. Over 18 months discussions were held with thirty interested parties including low cost airline operators and private investors, many were introduced to PWC by Kent County Council.

In the event, two of the shareholders of Discovery Park Limited made an approach to Mrs Ann Gloag which subsequently led to their purchase of the airport.

Chapter six

What do we know about RiverOak and its proposal for a compulsory purchase order?

RiverOak was introduced to Kent County Council by Mr Tony Freudmann. Subsequently the Leader of Kent County Council invited representatives of RiverOak to meet to discuss their plans for the airport. RiverOak declined, saying that their plans were confidential. The invitation to present their business plan to the council has been repeated on several occasions: RiverOak has always declined to do so.

RiverOak Investment Corp LLC was established in January 2001 in Delaware USA to manage *'niche focussed real estate investments for institutional entities that are strategically driven, including private and public pension funds.'*

Its CEO is Mr Stephen DeNardo.

The RiverOak website states *'within a time frame that spans nearly 4 decades of business experience, Steve DeNardo has successfully been involved in all phases of real estate investment, development and management. His focus and interest has been on the management and turnaround of troubled assets.'*

RiverOak's Chief Investment Officer is Mr George Yerrall. The website says: *'He is in charge of sourcing and analysis of investment opportunities and the execution of investment and asset management strategies.'*

In its statement to the UK Airports Commission (The Davies Commission) RiverOak described its strategy for Manston as handling 250,000 tonnes of cargo per annum by 2030, 500,000 tonnes of cargo per annum by 2040 and 750,000 tonnes by 2050. It also described its long term strategy to include 'aircraft maintenance, repair and teardown operations.'

RiverOak also stated that by summer 2017 at the earliest they would plan to re-open passenger services *'if appropriate contracts can be agreed with suitable carriers.'* They would also re-establish Manston as a key diversion airport, capable of providing emergency resilience to the wider South East airport system.

In an interview on 12 May 2014 with Paul Francis of the KM Group Mr DeNardo was asked *'How did RiverOak become involved in the bid to buy the site from Mrs Gloag?'*

Mr De Nardo replied; *'We have been active in searching for opportunistic transactions in both the UK and Ireland, We have an extensive network of contacts in both and one of our contacts made us aware of the Manston situation.'*

He was also asked *'How did you team up with Annax Aviation whose Chief Executive Tony Freudmann has become spokesman for your bid?'*

Mr DeNardo replied: *'Our contacts put us in direct discussion with Tony Freudmann who we knew had both operational experience at the airport and had made an attempt to purchase the airport.'*

Following Mrs Gloag's refusal to accept an offer from RiverOak to buy Manston Airport, RiverOak then approached Thanet District Council with a view to the council making a Compulsory Purchase Order of the airport in favour of RiverOak. Thanet District Council concluded that a decision on a CPO could not be made until:

- Thanet District Council had commissioned an independent feasibility study on the future viability of a going concern operational airport.
- Any prospective airport owner/operator submit a viable business plan and also enter into an indemnity agreement that would cover any exposure to all costs placed upon Thanet District Council.

Thanet District Council commissioned Falcon Aviation whose report was considered by the Council's cabinet on 31st July 2014. The report identified *'no business plan with a credible investment plan of less than 20 years is likely to provide the commitment necessary to rebuild confidence. From an investor's standpoint, the payback period might be as long as 50 years. The level of investment would have to be significant (£100m's) and there are never any guarantees of success.'*

Throughout Thanet District Council's consideration of a CPO it has been advised by its Section 151 Officer that it appears evident that the airport will not be successful if it reopens and attempts to operate in the same configuration as it has done previously up to its closure.

The advice to Thanet District Council's cabinet was that invitations should be issued to parties willing to enter into an indemnity agreement capable of delivering the twenty year business plan.

During the course of Thanet District Council's processes, on 17 July 2014, Kent County Council unanimously adopted the following motion;

"Kent County Council supports the actions taken so far by Thanet District Council to retain Manston as a regional airport. We recognise the value that a regional airport brings to East Kent and are disappointed at its closure. Kent County Council will explore with Thanet District Council ways in which it can support proposals to retain Manston as an airport." The original Motion proposed by Mr Cowan (Dover Town, LAB) and Mr Truelove (Swale Central, LAB) was replaced by the above, proposed by Mark Dance (Whitstable, CON).

In supporting the amended motion the Leader of Kent County Council said "Thanet District Council's approach is now such that they are going to carry out and have already commissioned, an independent study as to the viability of running the airport as a going concern or not. Nobody knows the conclusion to that, as I said on the radio this morning, after 16, 17, 18 years of Manston, everybody has just lost money. So what is the market telling you? And it will be interesting to see what the independent viability report concludes. And Thanet District Council are absolutely right in doing that. If it does suggest there is viability they will then ask for expressions of interest from people to come forward who have the ambition to do exciting things at Manston in running it as an airport, or not. And if there are some exciting propositions, or if we had an owner that is reluctant to do anything exciting, which again we don't know, we will then make the decision as to whether or not to support the CPO process. And it is premature to have that decision now, which is why we can't support your original motion which was asking for an open ended commitment to support Thanet and their CPO, no matter what. I want to see, and hope, that there are exciting propositions that come forward, with good people, that have got the money to do exciting things. And we will have to wait and see as to whether that's the case, and then we will review our position."

In an endeavour to support Thanet District Council, on 1st September Kent County Council's Director of Governance and Law wrote to Thanet District Council's Monitoring Officer to remind them of our offer to assist the council. The Monitoring Officer replied: 'We need to do the evaluation of any Expressions of Interest first before we can begin to assess what legal support might be needed moving forward and whether any of that support would need to be commissioned from Kent County Council. We are not in a position to make any decisions until we have the result of this, but I will be more than happy to consider making such an approach at the appropriate time.'

Kent County Council has never been approached by Thanet District Council for the help offered.

Unsurprisingly, **as a result of this**, on 11 December 2014 Thanet District Council received a cabinet report detailing the outcome of its exercise to seek an indemnity partner for the compulsory purchase of the airport and a comprehensive and viable business plan. The following was decided:

'That no further action be taken at the present time on a CPO of Manston Airport on the basis that the council has not identified any suitable expressions of interest that fulfil the requirements of the council for a CPO indemnity partner and that it does not have the financial resources to pursue a CPO in its own right.'

The conclusions made by the council's Section 151 Officer were that *'The information provided does not provide assurances which would satisfy him that a valid expression has been put forward and he is therefore unable to recommend moving ahead with this proposal. Although the issues here are emotive Members should exercise extreme caution before seeking to move forward with any proposal which is at odds with advice from its officers, particularly where there are likely to be **significant risks** which would affect the council at a fundamental level.'*

As the Falcon report, Thanet District Council's feasibility study and the advice from the council's 151 Officer show, the financial risks of a compulsory purchase of the airport were unacceptable.

Chapter seven

What do we know about Discovery Park Limited and its directors?

The new owners of Manston, Chris Musgrave and Trevor Cartner, have a strong track record in taking over large difficult sites following the demise of earlier uses and regenerating them to create jobs and bring economic benefits to the wider area.

Ten years ago they acquired Wynyard Park in Billingham after Samsung had announced that it was closing its operations there. They have now created 2000 jobs and have attracted £200million of private investment at Wynyard Park.

Seven years ago they invested in the advanced manufacturing park (a joint venture between the University of Sheffield, Boeing, British Aerospace and Rolls Royce) to build seventeen units for local small and medium size enterprises associated with aerospace research and other advanced manufacturing on the site of the former Orgreave colliery. In 2013, when the site was fully occupied, they sold their investment.

In 2012 they acquired Discovery Park from Pfizer after Pfizer had announced that they were closing down all their operations there and were planning to demolish the buildings at the site. When Pfizer made this announcement they employed 2,200 staff all of whom were subject to redundancy notice. By March 2015 700 of the Pfizer jobs have been retained and a further 1,700 jobs have been created by more than 100 new tenants on the site. Currently total job numbers are in excess of 2,400 and Discovery Park is on track to deliver more than 3,000 new jobs.

Trevor Cartner and Chris Musgrave plan to transform the 800-acre site at Manston with a £1 billion redevelopment, over a 20-year period, into a mixed-use scheme helping to create more than 4,000 jobs. They will be announcing more details over the next few weeks.

Conclusions

The truth is that Manston has failed over a prolonged period of time to run as a commercially successful airport.

Kent County Council gave strong support to various investors but the reality of commercial aviation at Manston Airport led to very significant losses. In fact, in the 16 years since it was taken into private ownership it has incurred losses by those who have tried to operate it in excess of £100 million.

The objective now must therefore be to make sure that we have owners who want to do exciting things on the site and that the land is not left abandoned.

Bristow Group had chosen Manston as its location for the regional search and rescue base; when the airport closed the company decided to locate that base at Lydd. Kent County Council is pleased that this vital service will still be located in Kent. Lydd Airport is also starting a substantial investment programme to extend its runway and construct new aviation facilities.

Surely it is now time to look at a B Plan for Manston.

The driver must be to seize the best opportunity to create a significant number of new jobs and bring prosperity into East Kent.

RiverOak has not managed to convince Thanet District Council that there is a viable business plan. We believe the new owners have got a credible plan and the financial ability to create substantial numbers of new jobs which will bring prosperity and economic growth to East Kent.



Paul Carter, Leader of Kent County Council:

"I would like to make it abundantly clear that in my 10 years as Leader of Kent County Council I have done everything in my power to help and support the economy of East Kent. I believe that this document demonstrates and evidences exactly that."

Myth busting questions and answers

1. What is Kent County Council's stance on Manston Airport? At first you supported a CPO process but now you are supporting a business park – is this not inconsistent?

Promoting job creation, supporting business growth and generating economic prosperity for the residents of East Kent is - and always has been - Kent County Council's primary objective. Kent County Council (KCC) has never deviated from this.

The closure of Manston Airport was met with deep disappointment at County Hall. Any viable proposal from an aviation company with sufficient financial backing to run Manston as an airport would have been strongly supported by Kent County Council as our debate at the July council meeting made clear. No viable proposal was presented to Kent County Council or TDC.

The sale of Manston to the Discovery Park Team Musgrave and Cartner in September offers substantial private sector investment to support job creation and economic growth for Thanet. Cartner and Musgrave have a strong track-record at Discovery Park with 1,700 new jobs since 2012.

2. How can you say no viable proposal came forward? Didn't RiverOak say they would pay the full asking price?

Kent County Council asked RiverOak if we could see their business plan. RiverOak has consistently refused to let us see any details on the grounds they are commercially confidential. TDC took a decision that the information supplied by RiverOak to it was insufficient to support a Compulsory Purchase Order.¹ We have therefore concluded that RiverOak's plan is not viable. Representatives of Mrs Ann Gloag explained to the Transport Select Committee why Mrs Gloag refused to accept the offer from RiverOak.²

¹ <http://democracy.thanet.gov.uk/documents/b10075/Supplementary%20Agenda%202%2031st-Jul-2014%2019.00%20Cabinet.pdf?T=9>

² <http://parliamentlive.tv/Event/Index/d4330491-c83e-4204-a339-28a011b42071>

3. Did you promote Manston to the best of your abilities to attract a new investor when the closure was announced? Is it not true that Manston has unique infrastructure with the longest runway in England and superb transport links?

Kent County Council has taken every opportunity to support and promote the use of regional airports such as Manston. The authority's discussion document Bold Steps for Aviation, written in 2012, makes our position abundantly clear, showing Kent County Council has lobbied central Government to prioritise Manston above other proposals, such as the establishment of a Thames Estuary Airport.

Our support for Manston is evidenced by our substantial investment in transport infrastructure making Manston more accessible to a greater potential customer base, including investing in the East Kent Access Road, a new railway station, and improving the rail infrastructure. The Regional Growth Fund has been made available to companies with plans to increase employment.

Since the Minister of Defence privatised the airport there have been three private owners of Manston Airport: Wiggins, Infratil, and Ann Gloag. Despite ambitious plans to increase passenger numbers and freight operations, each of these has sustained significant financial losses totalling over £100 million.

When Manston Airport was put up for sale, Kent County Council introduced PWC (the marketing agents for Infratil) to 30 potential buyers from around the world (including RyanAir) none of whom in the event decided that they could make the airport profitable.

Myth busting questions and answers

4. What offers of support were made by Kent County Council to Thanet District Council to assist them with their CPO process?

We very much supported Thanet District Council in the potential for a CPO subject to the outcome of their independent feasibility study and submissions by indemnity partners.

At the Leader's request, Kent County Council's Director of Governance and Law offered to help Thanet District Council in the CPO process. TDC responded in writing saying "We need to do the evaluation of any Expressions of Interest first before we can begin to assess what legal support might be needed moving forward and whether any of that support would need to be commissioned from KCC. We are not in a position to make any decisions until we have the result of this, but I will be more than happy to consider making such an approach at the appropriate time."

The offer of support was repeated several times by the Leader at different meetings with Iris Johnston.

5. Who now owns Manston? Is it Mr Cartner, Mr Musgrave, Ann Gloag?

The company that owns Manston Airport has three shareholders; Mr Cartner (40%), Mr Musgrave (40%), and Mrs Gloag (20%). This information has been provided to the Select Committee by solicitors acting for Mr Cartner and Mr Musgrave.

6. How could the Leader of Kent County Council support Mr Cartner and Mr Musgraves' purchase of the site? I have heard Wynyard Park is in debt and promised to supply thousands of jobs and only a proportion have been realised.

Information provided to Kent County Council shows that Wynyard Park is currently debt free. Under Mr Cartner and Mr Musgraves' ownership, Wynyard Park has created more than 2000 jobs and attracted £200million of private investment. Publications which have asserted that

this is incorrect have been served with a letter from a firm of solicitors specialising in libel.

(NOTE: It is quite normal for development companies to carry debt/bank borrowings on their balance sheet. The key is sensible debt to value ratios).

7. How can you be excited by the new proposition by Cartner and Musgrave if you have seen no plans? What are the plans?

The new owners issued a press release when they acquired Manston Airport outlining their intention to create more than 4,000 jobs and a £1 billion redevelopment. They will be announcing more details in the next few weeks.

At the time when Mr Cartner and Mr Musgrave outlined these plans to the Leader of Kent County Council, the planning consultants had not yet completed the master plan so no document was handed over. However, a fairly detailed description of what was envisaged was discussed. The plans include a new sports centre and the financial backing of the Spitfire museum, as well as plans to bring advanced manufacturing to the site.

8. How can Kent County Council ignore its democratic mandate? Haven't you seen the petitions showing that the people of Thanet want an airport?

The Save Manston Campaign was invited to County Hall to present its petition. However when representatives of the group arrived they had not brought it with them. All letters and emails from objectors have received replies. We have also received letters of support re the closure.

9. When have you met Ann Gloag or her colleagues and what was the purpose of each meeting? Are the minutes available? Was a change of use discussed?

Elected members and officers of the council met Ann Gloag and her company representatives on a number of occasions before and after she bought the airport. The purpose of the meetings was to establish what were her intentions for bringing jobs and new investment to Kent and to sustain a viable airport.

Myth busting questions and answers

At a meeting on 14 March 2014 when we were expecting an update on progress, much to our surprise we were told confidentially that given the scale of losses it had been decided to notify staff the following week that a redundancy process was necessary.

Subsequently a meeting was held on 3 July 2014 to discuss with Ann Gloag what she intended, and she explained she was discussing a possible sale but that the details were commercially confidential.

Mr Cartner and Mr Musgrave have successfully applied for planning approval for a multi-use development to include commercial, retail and housing: the site is currently over 50% reoccupied by commercial users and there are now 2,400 jobs. It was their success with Discovery Park that persuaded them of the potential at Manston, and they already have a number of substantial potential tenants.

10. *Why have you appeared to support Ann Gloag when she obviously bought the site to turn it into a housing development and never intended to operate an airport? Have you a vested interest? Did you not say you wanted a housing development last year?*

Mrs Gloag told us that it was her intention to run Manston Airport as a commercial venture and that was why she hired aviation specialists to put in place a strong business plan for aviation and support the implementation. She also retained the previous Managing Director of Manston, Mr Charles Buchanan. She told us subsequently that it was only when she was advised that the airport could not be made viable, and that the losses of £100 thousand per week could not be sustained, that she decided that the airport must be closed.

During our discussions, a change of use of the airport was not discussed although we did touch on alternative uses for parts of the airport site such as aviation hangar space, servicing and maintenance. The Leader of the Council has no private business interests in the Manston site and will not benefit personally from any proposal relating to the development.

11. *Thanet does not need more business parks. Existing local business parks are struggling to attract businesses and are over 50% empty.*

When Pfizer announced closure of its R&D facility at Sandwich it was a common view that all the buildings would need to be demolished and the site could not be redeveloped.

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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 - 14 April 2015

Subject: Local Growth Fund: Governance arrangements

Classification: Unrestricted

Past pathway of paper: None

Future pathway of paper: County Council – 21 May 2015

Electoral Division: All

Summary

To date, £109 million has been allocated from the Government's Local Growth Fund to capital projects in Kent. Most of this funding is for transport infrastructure, and will be channelled via the South East Local Enterprise Partnership.

This paper explains the governance arrangements that it is currently envisaged will be put in place to manage the funding. In particular, it is proposed that an Accountability Board, constituted as a Joint Committee of the six Local Transport Authorities within the South East LEP area, should be established to maintain strategic oversight and to allow funds to be transferred in the event of underspend or overspend.

Recommendations:

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

- a) CONSIDER this report; and
- b) RECOMMEND that the Leader of the Council, subject to the continuation of the South East LEP and subject to further consideration at County Council on 21 May agrees to the establishment of a Joint Committee together with East Sussex County Council, Essex County Council, Medway Council, Thurrock Council and Southend-on-Sea Borough Council for the purposes of the management of the Local Growth Fund and other funds which may be directed by Government to the South East Local Enterprise Partnership.

1. Background

- 1.1. In 2013, the Government announced the establishment of the Local Growth Fund (LGF) for England. This is a 'single pot' capital fund, made up of contributions from a number of Government departments, in particular the Department for Transport. The LGF incorporates a number of funds which were formerly ring-fenced and transferred to local authorities, as well as some funds which were previously managed directly by central Government.
- 1.2. The Government makes allocations from the Local Growth Fund to Local Enterprise Partnerships (LEPs). These are informal public-private partnerships which aim to promote economic growth. Kent is currently covered by the South East LEP, which also includes Essex and East Sussex (as well as Medway).
- 1.3. To date, the Government has allocated £462 million to the South East LEP from the Local Growth Fund, against a specific schedule of capital projects. Of this, £109 million has been allocated to 24 projects in Kent, a list of which is attached in Annex 1. Spend on 15 of these projects is expected to start in 2015/16.
- 1.4. Because the South East LEP is an informal partnership with no legal personality with the capacity to enter into contracts, the Government has issued a grant offer to Essex County Council (as the Accountable Body for the LEP) for LGF funding for all schemes scheduled to start in 2015/16. This means that this funding will be passed from Government to Essex CC. Initially, funding will be transferred in quarterly instalments, but it is possible that in future, funds will be made available annually in advance of need.
- 1.5. Work has been underway to develop an agreement which would be put in place between Essex CC and all six Local Transport Authorities to enable them to draw down funds quarterly in advance of need. A draft agreement is currently being discussed by the Section 151 officers within the relevant authorities, including KCC.
- 1.6. It should be noted that discussions are taking place regarding the future boundaries and role of the South East LEP. Specifically, the Kent and Medway Economic Partnership and Kent Leaders are considering whether it would be in Kent's interests for the South East LEP in its current form to be abolished and replaced with a Kent and Medway LEP. Proposals may be developed further over the summer, and it remains to be determined how these will impact on the management of funds already allocated for 2015/16

2. Managing delivery

Managing delivery within KCC

- 2.1. Within KCC, a LGF Scheme Programme Board has been established to manage the delivery of those schemes for which KCC is responsible, chaired by the Head of Transportation and attended by the Corporate Director for Growth, Environment and Transport.

Managing delivery across the LEP-wide schedule of projects

- 2.2. Across the LEP's Local Growth Fund allocation, there may be project overspends, underspends and time delays. It will be important to manage these effectively to ensure that schemes are delivered and to avoid a loss of funding to the programme when projects cannot be delivered as originally planned.
- 2.3. Within the grant agreement that the LEP has received from Government, the Government reserves the right for itself to determine any, and all, project variances. However, it is possible that this right may be waived if a strong LEP programme oversight and accountability mechanism is in place. Following a review of LEP governance in autumn 2014, it is therefore proposed that:
 - a) Within the agreement between the Accountable Body and the local authorities referred to in para. 1.5, there will be flexibility to manage limited variances locally, below a threshold which is yet to be defined;
 - b) To determine larger variances and to maintain strategic oversight of the programme as a whole, an **Accountability Board** should be established covering the whole LEP area. It is proposed that the Accountability Board should be constituted as a Joint Committee, with KCC, East Sussex County Council, Essex County Council, Medway Council, Thurrock Council and Southend-on-Sea Borough Council constituent authorities. While the local authorities will be the only voting members of the Accountability Board, it is proposed that three non-voting private and educational sector members will be co-opted to ensure a link with the Local Enterprise Partnership. Draft outline terms of reference are attached at Annex 2.
- 2.4. The establishment of the Accountability Board will mean that the Local Transport Authorities across the LEP will be able to make funding decisions collectively, because the Accountability Board will be formally constituted. At present, because the LEP is an informal partnership, there is no mechanism to do this.

Partner oversight

- 2.5. In addition to the arrangements described above, progress in delivering the LGF programme in Kent will be reported to Kent and Medway Economic Partnership, ensuring that the Kent Districts and business representatives have an overview of delivery.

3. Legal implications

The establishment of the Accountability Board

- 3.1. If approved by all six proposed constituent authorities, the proposed Accountability Board will be established as a Joint Committee. Sections 101 and 102 of the Local Government Act 1972 provide a general power for local authorities to form joint committees in order to discharge functions jointly with other authorities. The functions to be discharged by the proposed Accountability Board relate to the making of loans and grants and are executive functions under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000.
- 3.2. Section 9EB of the Local Government Act 2000 authorises the Secretary of State to make regulations facilitating the executive functions arrangements referred to in Section 101 of the 1972 Act. This has been done in the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 (2012/1019).
- 3.3. Reg. 11(6) of the 2012 Regulations provides that where the functions are executive the joint committee is to be appointed under Section 102(1)(b), and appointments to it made under Section 102(2), of the 1972 Act.
- 3.4. A Joint Committee will need to be underpinned by a Joint Committee Agreement between the constituent authorities. At the time of writing, this has not yet been prepared, but it will need to be in place by the time the Accountability Board is established.

The inclusion of non-voting co-opted members

- 3.5. Section 102 (3) allows a Joint Committee to include co-opted members. However, Section 13 of the Local Government and Housing Act 1989 requires co-opted members to be non-voting. While there is no restriction on a co-opted member being appointed chairman, a co-opted chairman will not have a first or casting (or any) vote (see paragraph 2.3(b) above).

4. Kent County Council's membership of the Accountability Board

- 4.1. In order to establish the Accountability Board, KCC will need to decide to become a constituent authority.

- 4.2. Subject to the preparation of a Joint Committee Agreement as described in para. 3.4, a decision to join a Joint Committee may be made by the Leader. A draft Record of Decision is attached as Annex 3. KCC's representation on the Accountability Board will then be determined by the Member Selection and Services Committee.
- 4.3. However, the decision to join the Joint Committee may be subject to the continuation of the South East LEP in its current form, as set out in para. 1.6.

5. Recommendations

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

- a) CONSIDER this report; and
- b) RECOMMEND that the Leader of the Council, subject to the continuation of the South East LEP and subject to further consideration at County Council on 21 May agrees to the establishment of a Joint Committee together with East Sussex County Council, Essex County Council, Medway Council, Thurrock Council and Southend-on-Sea Borough Council for the purposes of the management of the Local Growth Fund and other funds which may be directed by Government to the South East Local Enterprise Partnership.

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1 April 2015

Annex 1

Local Growth Fund: Scheme allocations in Kent

	LGF Contribution (£m)							Total LGF Input	Match Funding (£m)	Total Scheme Budget (£m)
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21				
A28 Chart Road		1.00	1.00	7.00	1.23		10.23	22.57	32.8	
Ashford Spurs		2.00					2.00	2.52	4.52	
Sturry Link Road		1.00	2.45	2.45			5.90	22.70	28.6	
A28 Sturry Road integrated transport package		0.30					0.30	0.25	0.55	
North Deal transport improvements	0.40	0.40					0.80	0.75	1.55	
Dover Western Docks Revival Project		5.00					5.00	195.00	200	
A226 London Rd/ B255 St Clements Way				2.10	3.10		5.20	5.50	10.7	
Rathmore Road Link, Gravesend		4.20					4.20	5.30	9.5	
Maidstone Gyratory Bypass	1.00	3.60					4.60	1.14	5.74	
Maidstone sustainable access to employment areas		2.00					2.00	1.00	3.00	
Maidstone Integrated Transport		1.30	2.00	2.00	3.60		8.90	6.90	15.80	
Folkestone Seafront	0.50						0.50	0.15	0.65	
Westenhanger Lorry Park			1.00	2.00			3.00		12.00	
Sittingbourne Town Centre Regeneration	2.50						2.50	2.00	4.50	
Thanet Parkway			4.00	6.00			10.00	14.00	14.00	
M20 Junction 4 Eastern Overbridge	2.20						2.20	2.61	4.81	
Tonbridge Town Centre Regeneration	2.00	0.40					2.40	4.28	2.65	
A26 London Road/Speldhurst Road/ Yew Tree Road	1.00	0.80					1.80	0.25	2.05	
West Kent LSFT	0.80	1.40	0.70	0.70	0.70	0.60	4.90	4.16	9.06	
Kent Thameside LSTF	2.40	0.50	0.50	0.40	0.40	0.30	4.50	3.15	7.65	
Kent Strategic Congestion Management	0.80	0.80	0.80	0.80	0.80	0.80	4.80		4.80	
Kent Sustainable Interventions programme	0.50	0.50	0.50	0.50	0.50	0.50	3.00		3.00	
Kent Rights of Way improvements plan	0.20	0.20	0.15	0.15	0.15	0.15	1.00	0.30	1.30	
M20 Junction 10A*			8.30	11.40			19.70			
Total							109.43			

*

Highways

Agency

scheme

Annex 2

SOUTH EAST LOCAL ENTERPRISE PARTNERSHIP ACCOUNTABILITY BOARD DRAFT MEMBERSHIP AND TERMS OF REFERENCE

The SELEP Accountability Board is an executive joint committee of the following authorities. It is constituted under S.101 and S.102 LGA 1972 and Reg. 11(6) of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 (2012/1019).

East Sussex County Council

Essex County Council

Kent County Council

Medway Borough Council

Southend On Sea Borough Council

Thurrock Borough Council

Membership

9 members appointed as follows

Voting Members

1 member appointed by each of the 6 member councils (6)

Non-voting Co-opted members

A business Vice Chairman of the SELEP Strategic Board appointed by the Strategic Board

One member appointed by the Accountability Board on the nomination of the higher education sector (1)

One member appointed by the Accountability Board on the nomination of the further education sector (1)

Chairman

The business Vice Chairman of the SELEP Strategic Board appointed to the Accountability Board shall be the Chairman of the Accountability Board.

Quorum

One third of the members including at least two voting members

Terms of Reference

Within the Partnership's Growth Deal and Strategic Economic Plan and such other plans as may be approved by the Strategic Board, the Accountability Board will be responsible for the implementation of the Partnership's Accountability and Assurance framework and all processes by which bids are assessed, risks considered, approvals made and performance managed including

- Appraisals and approvals, including those of grants and loans, in accordance with Board recommendations
- Monitoring project assessment and delivery
- Ensuring accountability from each of the federated areas relating to expenditure and programme delivery
- Approving variations to schemes
- Quarterly performance reporting on an exceptions basis to the Strategic Board
- Reporting on progress to central government
- Any other accountability or assurance function required by central government or recommended by the Partnership's auditors or the Chief Finance Officer of the Partnership's accountable body,

The Accountability Board will be advised by the Accountable Body's chief finance officer.

Annex 3

KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY

Paul Carter – Leader of the Council

DECISION NO.

15/00040

Unrestricted

Establishment of the East Sussex, Essex, Kent, Medway, Southend-on-Sea and Thurrock Joint Committee, referred to as the South East Local Enterprise Partnership Board

Decision:

As Leader of Kent County Council, I agree that Kent County Council shall become a Constituent Authority of a Joint Committee together with East Sussex County Council, Essex County Council, Medway Council, Thurrock Council and Southend-on-Sea Borough Council, to be known as the South East Local Enterprise Partnership Accountability Board, for the purposes of the management of the Local Growth Fund and other funds which may be directed by Government to the South East Local Enterprise Partnership.

Reason(s) for decision

The decision is required so that collective decisions can be made by the proposed Constituent Authorities regarding the use of the Local Growth Fund and other funds which may be directed by Government to the South East Local Enterprise Partnership.

Cabinet Committee recommendations and other consultation

Cabinet Committee recommendations

The Growth, Economic Development and Communities Cabinet Committee will consider this at its meeting on 14 April 2015 and comments will be added afterwards

Other consultation

Consultation on this proposal has taken place with the South East Local Enterprise Partnership Board, with Kent and Medway Economic Partnership and with Kent Leaders.

The proposal was also considered by County Council on 21 May.

Any alternatives considered:

Two alternatives have been explored:

- a) Do nothing: continue to operate within the existing arrangements. This option is not viable, as the South East LEP has no formal status and there is no mechanism for collective decision-making.
- b) Establish a governance mechanism which delegates all accountability to the Local Transport Authorities via a grant agreement from the Accountable Body. This option is viable and may be administratively simpler than the proposed option. However, it is considered that the ability to make decisions collectively across the LEP area will be of benefit in relation to future funding opportunities.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

None

.....
..

signed

.....

date

From: **Mike Hill: Cabinet Member for Community Services**
Barbara Cooper: Corporate Director Growth, Environment and Transport

To: **Growth, Economic Development and Communities Cabinet Committee – 14 April 2015**

Decision No: **15/00041**

Subject: **Southborough Hub**

Key decision **Creation of a community Hub in Southborough incorporating Southborough Library**

Classification: **Unrestricted**

Past Pathway of Paper: **N/A**

Future Pathway of Paper: **N/A**

Electoral Division: **Tunbridge Wells North (Peter Oakford)**

Summary: Progress is being made on the Southborough Community Hub with the proposal that Tunbridge Wells Borough Council (TWBC) and Southborough Town Council (STC), now enter into call options on their lands with Kent County Council (KCC) to enable the development of a multi use facility which would include a library, theatre, football pavilion, town council offices, cafe and possibly a medical centre. The development will be paid for via a residential and commercial enabling development and in tandem with this will be a Memorandum of Understanding (MoU) that will set out the governance of how all three councils will work together in progressing the project. This report sets out the details of this scheme.

Recommendations:

The Growth, Economic Development and Communities Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Community Services on the proposed decision:

To support the delivery of the community Hub in Southborough by agreeing to incorporate the library service within the project.

To support the nomination of the Cabinet Member for Community Services to be nominated within the Memorandum of Understanding as the designated representative and vote on all such necessary matters.

This decision is required to enable the Southborough Hub which has been a long term aspiration for all three tiers of local government to be brought forward and delivered.

1. Introduction

- 1.1 The Southborough Hub has been a long term aspiration of TWBC, STC and KCC. The development would see a mixed use community asset developed that would include a library, theatre, town council offices, football pavilion, café and possibly a medical centre thanks to a residential and commercial enabling development.
- 1.2 Numerous attempts have been made at bringing forward the project which is fettered with complex land ownerships and outstanding legal agreements. The town council clearly rejected the last scheme brought forward by Tesco and the current proposal seeks to bring forward a comprehensive development that would include the Tesco land in tandem with land owned by Lloyds bank.
- 1.3 In terms of the development STC would be putting in the most land¹, however due to a 50% claw back on much of that, KCC² would in effect be putting in the most value. TWBC would put in a similar amount of land³ to KCC. The partners have taken a land equalisation approach to values given that certain partners freeholds bring different benefits such as access and high street frontage to the scheme. Without these neither partner would be in a position to deliver a comprehensive and enhanced value from the overall development.
- 1.4 All three councils have currently invested £25k in the latest development programme and this has enabled the project to masterplan the area, work up options, consult the community and architects are now progressing towards enhancing the high level designs in consultation with stakeholders.
- 1.5 Two options are being prepared, one which would see the Royal Victoria Hall (RVH) refurbished alongside a minimal new build and another option which would see a cleared site with a complete new build. Current community facilities are in a poor to very poor condition. The Town Council's recent decision to cease all expenditure on the RVH and close it has been one of the main reasons for this project now gaining momentum.
- 1.6 In order to ensure progress is assured KCC are seeking to enter into Call Options with TWBC and STC for their land. This will guarantee that KCC can acquire the unfettered freehold land required to deliver the project whenever it chooses in order to progress the project. Alongside the Call Options will be a Memorandum Of Understanding setting out how the project will be governed and delivered. The proposal will see a Project Board formed with one elected representative from each council and with each council having one vote.
- 1.7 In taking this approach TWBC and KCC are seeking to assist STC by helping to coordinate the project and give them the relevant expertise, knowledge and capacity they require to deliver the hub.
- 1.8 STC has now signed the Call Options and the Memorandum of Understanding and TWBC is expected to do so on the 16 April. Following the signing of the

¹ Circa 15,978 sqm Ridgeway land and the Royal Victoria Hall

² KCC land circa 3,564 sqm The Ridgeway

³ Circa 3,325 sqm (137 London Road, Yew Tree Road car park, toilet block adjacent to Tesco land)

agreements KCC will then be required to deliver a Development Agreement that will cover the specifics of the project. Once signed, KCC will then be able to call in the options and transfer partners land over for £1. At the same time KCC will be progressing with the marketing, sale and entering into of all necessary contracts for the delivery of the hub. On completion STC will have the hub transferred back to it for a £1 while KCC will benefit from a long term peppercorn rent on the new library while also owning the football pavilion and benefiting from a rental income from it. KCC could then dispose of the old library and use those surplus funds as it deems fit. TWBC will have part of the Yew Tree Road car park transferred back to it for a £1. Any capital surplus (not expected to be significant) will be returned to the partners based on their initial up front investment and as a percentage of the land they contributed.

- 1.9 As part of the agreements all three authorities will provide the necessary funding to progress the project to completion. It is anticipated that a contribution of £70k will be required from KCC to match STC and TWBC contributions towards project fees with additional costs c£25k to cover legal costs. Property are anticipated to provide the £70k contribution towards project development while proposals are being developed for the remaining c£25k.
- 1.10 It is anticipated that on completion of the project a not for profit organisation will take over the running of the facility to ensure its longevity and this will be fully funded by STC.
- 1.11 Property Sub-Committee on the 27 March endorsed the key decision on expenditure and disposal of capital assets to facilitate the project.
- 1.12 The outcome will see a revitalised fit for purpose library facility in the heart of a community asset that will benefit from high levels of footfall and will guarantee the ongoing provision of services in the community for the foreseeable future.

2. Financial Implications

- 1.13 To date STC and TWBC have invested £25k each in the project with KCC contributing £25k in kind via staff time. Moving forward it is anticipated that a further £70k⁴ direct investment in the project will be required from each party to now deliver the scheme.
- 1.14 High level figures suggest that the total development costs for the hub are likely to be in the region of £4.5M and this matches the anticipated £4.5M income from the enabling development. It is critical that the scheme should be self funding as neither partners wish to invest any further sums above what the enabling development and up front investments will permit.
- 1.15 The project would see KCC sell the dilapidated Ridgeway site which is currently occupied by the Ridgeway Football club and sees regular use from its +500 young members. The sale of this site to anyone else other than the football club would be difficult and the current position sees KCC taking either a freehold of the new pavilion (and or a long term peppercorn leasehold) and re-provides for

⁴ Excludes c£25k legal costs for bringing forward the Development Agreement

the club while benefiting from an ongoing and possibly enhanced revenue income stream with a longer term sale still possible to the club should they raise sufficient funds. The development would be phased to ensure ongoing use of their facilities and minimise disruption. There is also a limited company operating from the site that teaches young people with learning difficulties and alternative premises will be found for them.

- 1.16 The current dilapidated library site which is on the Yew Tree Road, London Road junction would be able to continue to operate during the development phase. Once the hub was complete, it would move across and would benefit from a long term peppercorn rent. The new site would be marginally larger⁵ than the old one in order to benefit from s106 funds while the old site could then be sold for an estimated £400k and or be used as part of road improvements to the Yew Tree Road, London Road junction.
- 1.17 In bringing this project forward officers have worked closely with Finance officers to ensure that any risk to KCC from breaching its VAT partial liability exemption position are being monitored. While it is currently anticipated that the funds would pass through KCC books, any final decision on this would be taken by the section 151 officer prior to signing of any contract. In the interim, officers continue to monitor the situation and should the position change, then the funding would be passed through STC books where breaching their position would cost the council £25k and this would be amalgamated within the costs of the development along with any increased VAT implications for the project.
- 1.18 Running costs for the new library are still subject to final designs which have yet to be determined but the facility will look to be financially sustainable for all parties and this will ensure that any increase in costs will be mitigated as far as possible to ensure the long term success of the project.

3. The Report

- 1.19 Numerous attempts have been made at bringing forward the development in Southborough. Tesco who bought the site back in c2008 put forward the latest scheme which was rejected by the town council as their footprint continued to expand beyond any reasonable measures. The current proposals present the best opportunity for the three councils to take advantage of legally binding agreements that would firmly put KCC in the driving seat and enable the scheme to now be delivered. The following options consider alternative proposals that could be followed with option two being recommended.
- 1.20 Option 1: Do nothing: KCC does not agree to move the library in and therefore does not sign up to the land option and MoU and maintains the status quo. The project would then fail as KCC land is central in terms of allowing the wider development to proceed. TWBC would then look to dispose of their land leaving the town council with non productive assets and ongoing legal issues over maintenance and dilapidation of the current buildings.

⁵ C10% subject to final designs being agreed

- 1.21 Option 2: Seek to gain value from the land: KCC enters into the agreements on the basis that they retain best value (or some value for their land). The old library site will be kept out of the deal and this will lower the capital contribution towards the hub which will make viability more difficult for KCC to achieve. However the project should nevertheless be deliverable and it allows KCC to re-invest in other critical services within the community. TWBC could consider its position with regard to the value of its land and could also look to pull additional value out leading to further viability issues and a failed project. This is considered unlikely given that all KCC land directly impacted by the development has been put in to the scheme.
- 1.22 Option 3: Gift the Ridgeway site STC: STC could then decide not to enter into the agreement and or enter into the agreement and look to exit it at a later date. STC would then benefit from an access onto their land along with the revenue income stream from the facility. This would not solve the RVH issue or the town council buildings leading potentially to further dilapidations issues and TWBC losing patience and selling its assets. KCC would lose any ability to influence the partners and ensure regeneration of the area.
- 1.23 Option 4: Dispose of the Ridgeway site: KCC would have political difficulty in doing so as this would be against the partnership approach adopted to date. In addition the presence of the Ridgeway Football club would severely limit the value of the site in comparison to one where the councils worked together to maximise value for the development. Unless purchased by STC or TWBC the project would then fail as KCC land is central in terms of allowing access for the wider development to proceed.
- 1.24 Option 5: Adopt a different approach: Rather than entering into a call option for the land and a MOU, KCC could request that a full Development Agreement be signed up to in order to know exactly what will be delivered before taking control of the project. Time has not permitted this approach to take place. The costs of a Development Agreement are substantial and STC could choose to walk away at any point during the development of this agreement.
- 1.25 The legal implications regarding the Call Option give KCC five years to complete the scheme once the options have been called. The MoU which is a non legally binding document sets out the governance for how the scheme will be managed and provides the blue print for the Development Agreement that will follow. The MoU proposes that three elected members from KCC, TWBC and STC will comprise a project board. The representatives for the board are anticipated to be the Chairman of STC, the Cabinet Member for Communities and Wellbeing from TWBC and the Cabinet Member for Community Services from KCC. The KCC representative will chair the meetings with each council having one vote other than the chairman who will have a casting vote if required and only on certain elements. Any disputes will be escalated to an independent expert before being referred for arbitration.
- 1.26 In moving the site forward there are three other legal implications that should be mentioned. Part of TWBC land is currently unregistered and TWBC are looking to have this registered as soon as possible. There is open public space belonging to STC being transferred to KCC and the relevant notices are being put up to ensure the transfer is legal. STC currently occupy TWBC land without

any agreed lease in place and partners have agreed that both will sign up to a lease just prior to transfer of the land to KCC. KCC will then break the lease once development is ready to happen. All Property issues have been discussed and agreed at the Property Sub-Committee. Legal Services have developed both the Call Options and the MoU.

- 1.27 A full equalities impact assessment will be undertaken should the three partners sign up to the Call Options and MoU.
- 1.28 There are no implications on public health for this project however the new facilities particularly the football pavilion is likely to have a positive impact on young people exercising.
- 1.29 The project will allow the council to dispose of the Ridgeway site and the old library site while gaining a new football pavilion and a new library.
- 1.30 This report seeks final agreement to move the library once the development is complete and to appoint the Cabinet Member for Community Services to chair the project board. It recommends however that regular updates be brought back to the appropriate committees to update members on progress as and when key milestones are reached.
- 1.31 This decision can only be entered into subject to the relevant key decision being taken by the Property Sub-Committee on the 27 March 2015.

4. Conclusions

- 1.32 The opportunity has now arisen for KCC, TWBC and STC to enter into a joint call option and MOU in order to progress the Southborough Hub. Subject to all three councils signing up to these agreements within a very narrow timeframe, the opportunity has finally arisen to make this project a reality. The outcome would ensure that current legal issues are resolved and that KCC, TWBC and STC will all benefit from modern, fit for purpose community facilities that will benefit Kent's residents and help to revitalise the heart of Southborough.

5. Recommendation(s):

The Economic Development and Communities Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Community Services on the proposed decision:

To support the delivery of the community Hub in Southborough by agreeing to incorporate the library service within the project.

To support the nomination of the Cabinet Member for Community Services to be nominated within the Memorandum of Understanding as the designated representative and vote on all such necessary matters.

This decision is required to enable the Southborough Hub which has been a long term aspiration for all three tiers of local government to be brought forward and delivered.

6. Background Documents

- 6.1 Appendix A - MoU
- 6.2 Appendix B - Risk register
- 6.3 Appendix C - Indicative designs

7. Contact details

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DATE

MEMORANDUM OF UNDERSTANDING

between

THE KENT COUNTY COUNCIL (1)

and

TUNBRIDGE WELLS BOROUGH COUNCIL (2)

AND

SOUTH BOROUGH TOWN COUNCIL (3)

THIS MEMORANDUM OF UNDERSTANDING is dated

PARTIES

The parties to this memorandum of understanding ("**MoU**") are:

- (1) The Kent County Council, of County Hall, Maidstone, Kent ME14 1XG ("KCC").
- (2) Tunbridge Wells Borough Council, Town Hall, Mount Pleasant Road, Tunbridge Wells, TN1 1RS ("TWBC")
- (3) Southborough Town Council 137 London Road, Southborough, Tunbridge Wells TN4 0ND ("STC")

Definitions

In this Memorandum of Understanding, the following terms have the meanings shown:

"Accommodation

Requirements"

means the following minimum floor areas in respect of specific parts of the Project :

- Council Offices – 105 m2
- Café – 60 m2
- Theatre – 375 m2
- Library – 190 m2

Within a tolerance of 20% of the floor areas.

"Additional Land"

The land registered under title number K262785 shown edged [] on the Plan; and the unregistered land shown edged [] on the Plan.

"Authorised Representative"

The individual authorised by each Partner to sit on the Project Board.

"Development Agreement"

A development agreement to be entered into between the Partners pursuant to the MOU

"Expert"

an independent expert appointed in accordance with Clause 12.

"Implement"

means implementation by the carrying out of any material operation within the meaning of Section 56 of the Town and Country Planning Act 1990 but not including any works of site clearance nor any ground investigation diversion of services nor any erection of means of enclosure for the

	purposes of site security and "Implemented" and cognate expressions shall be interpreted in accordance with this definition.
"KCC Land"	The land edged [] on the Plan.
"Key Objectives"	The Key Objectives for the Project, defined in section 2 of the MoU.
"Land"	The collective term for the land contributed by KCC, TWBC and STC to the Project and defined below.
"Option Period"	5 years from the date of this MOU.
"Partner"	An individual party to this MoU.
"Partners"	The collective parties to this MoU.
"Plan"	the Plan showing the location of the Land and Additional Land and attached at Annex A.
"Principles"	The principles of collaboration between the Partners, defined in section 3 of this MoU.
"Project"	The development of the Land and the Additional Land to form a customer-focused hub outlet for cross agency services surgeries information self-help and routine advice and transactions, with access to visiting members of the public together with associated functions relevant to a town council including (for the avoidance of doubt) entertainment, sports facilities, theatre, medical centre, the town council offices, coffee shop, library ancillary to such outlet that satisfies the Accommodation Requirements or other community uses or offices for use under B1 of the Town and Country (use Classes) Order 1987 together with retail units under A1-A5 of the Town and Country (use Classes) Order 1987 and the Residential Development.
"Project Board"	The group of Authorised Representatives who will approve the management and delivery of the Project on behalf of the Partners.
"Residential Development"	The development of the Residential Scheme.
"Residential Scheme"	A development of residential units on the Land .
"STC Land"	The land edged [] on the Plan.
"STC Option"	The option agreement relating to the STC Land dated on the date hereof and made between STC (1) and KCC (2) .
"TWBC Land"	The land edged [] on the Plan.
"TWBC Option"	The option agreements relating to the TWBC Land dated on the date hereof between TWBC (1) and KCC (2).

1. BACKGROUND

- 1.1 The Partners have agreed to work together on the Project.
- 1.2 The Partners have entered into the STC Option and the TWBC Option on or before the date of this MOU
- 1.3 This MOU is not intended to create legally binding obligations.
- 1.4 The Partners wish to record the basis on which they will collaborate with each other on the Project.
- 1.5 This MoU sets out:
 - (a) the Key Objectives of the Project;
 - (b) the Principles;
 - (c) the governance structures the Partners will put in place; and
 - (d) the respective roles and responsibilities the Partners will have during the Project.

2. KEY OBJECTIVES FOR THE PROJECT

- 2.1 The Partners agree the following key objectives:
 - a. To work together in good faith to develop the Land and any Additional Land for the Project within five (5) years from the date here of;
 - b. To minimise the up-front cost to the Partners;
 - c. To deliver the Project if financially viable in terms of initial capital and on a revenue basis.
- 2.2 The Partners shall undertake the Project in accordance with this MOU.
- 2.3 The Partners acknowledge that the current position with regard to the Project and the contributions already made (financial and otherwise) are as detailed in the Schedule 2 to this MoU.
- 2.4 The Partners shall cooperate with KCC in the proposed purchase of the Additional Land.

3. PRINCIPLES OF COLLABORATION

The Partners agree to adopt the following principles when carrying out the Project

- (a) collaborate and co-operate. Establish and adhere to the governance structure set out in this MoU to ensure that activities are delivered and actions taken as required;
- (b) be accountable. Take on, manage and account to each other for performance of the respective roles and responsibilities set out in this MoU;
- (c) be open. Communicate openly about major concerns, issues or opportunities relating to the Project;
- (d) learn, develop and seek to achieve full potential. Share information, experience, materials and skills to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;
- (e) adopt a positive outlook. Behave in a positive, proactive manner;
- (f) adhere to statutory requirements and best practice. Comply with applicable laws and standards including EU procurement rules, data protection and freedom of information legislation.
- (g) act in a timely manner. Recognise the time-critical nature of the Project and respond accordingly to requests for support;
- (h) manage stakeholders effectively;
- (i) deploy appropriate resources. Ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this MoU.
- (j) act in good faith to support achievement of the Key Objectives and compliance with these Principles.

4. PROJECT GOVERNANCE

4.1 Overview

The governance structure defined below provides a structure for the development and delivery the Project.

4.2 Guiding principles

The following guiding principles are agreed. The Project's governance will:

- (a) provide strategic oversight and direction;
- (b) be based on clearly defined roles and responsibilities at organisation, group and, where necessary, individual level;
- (c) align decision-making authority with the criticality of the decisions required;
- (d) be aligned with Project scope and each Project stage (and may therefore require changes over time);

- (e) leverage existing organisational, group and user interfaces;
- (f) provide coherent, timely and efficient decision-making; and
- (g) correspond with the key features of the Project governance arrangements set out in this MoU.

4.3 Project Board

The Project Board will provide strategic management for the Project. It will provide assurance to the Partners that the Principles are being met and that the Project is performing effectively.

5 PROJECT BOARD MEMBERS

5.1 The Project Board shall comprise three Authorised Representatives, one nominated by each Partner.

5.2 Each Partner shall have the power to appoint, remove or replace the Authorised Representatives it nominates.

5.3 Each Partner will advise the Project Board of its nominated Authorised Representative from time to time.

5.4 A Partner may nominate a substitute representative to attend and vote at a meeting in place of an Authorised Representative by notifying this in advance to the other Partners.

5.5 At the date of this agreement the Authorised Representatives are:

- (a) TWBC – Cabinet Member for Communities and Wellbeing or such person as he/she chooses to represent him.
- (b) KCC - Cabinet Member for Community Services or such person as he/she chooses to represent him.
- (c) STC – Chairman Southborough Town Council or such person as he/she chooses to represent him.

6 OPERATION OF THE PROJECT BOARD

6.1 Each Partner shall act in good faith to ensure that an Authorised Representative (or a substitute) attends each Project Board meeting.

- 6.2 No business shall be transacted at any meeting of the Project Board unless **two of the three** Authorised Representatives (quorum)(or their substitutes) are present in person or by audio or video conferencing at the time when the relevant business is transacted.
- 6.3 The members of the Project Board shall not be involved in considering planning applications at KCC or TWBC. If at any time members are or become responsible for considering planning applications they shall ensure that suitable arrangements are in place to ensure probity and that no challenge on that basis can successfully be made to any planning permission granted.
- 6.4 Other representatives of KCC, TWBC and STC shall be entitled to attend meetings of the Project Board at the discretion of the Authorised Representatives.

7 PROCESS FOR PROJECT BOARD MEETINGS

- 7.1 Project Board meetings shall be held at STC's offices or at such other locations as the Project Board may determine and will be held monthly or at such other intervals as the Partners agree.
- 7.2 The Project Board shall prepare minutes of every meeting of the Project Board and circulate them to all Partners and to the relevant Partners' Council and/or other committee meetings as required. Notes of required actions and decision shall be circulated to all Partners and the relevant people/committees as soon as possible after the meetings.
- 7.3 Action by the Project Board shall be by simple affirmative majority vote decided on a poll of those Authorised Representatives present at a Project Board meeting The Project Board shall have authority to determine the procedures for the calling and holding of meetings of the Project Board, for the taking and recording of decisions of the Project Board and for the taking of votes of the Project Board should that be necessary. An Authorised Representative shall be entitled to vote in all circumstances notwithstanding any interest he/she or the Partner, may have in the matter falling for consideration, but any such interest must be disclosed to the meeting.

8 PROJECT BOARD CHAIRMAN

- 8.1 The KCC Authorised Representative will be the chairman of the Project Board unless otherwise agreed by the Project Board. The chairman shall have an extra or casting vote in the event that only two Authorised Representatives are present at the Project Board meeting

9 EXECUTION OF DOCUMENTS

9.1 The Partners agree that any agreement or other document to be entered into in relation to the Project shall be approved by the Project Board.

9.2 No Partner or Authorised Representative shall have authority to approve any agreement or other document on behalf of the Project Board unless it has been approved by the Project Board.

10 GENERAL MANAGEMENT

10.1 The Project Board has ultimate authority for all aspects of the business and affairs of the Project.

10.2 The Partners will delegate appropriate authority to their respective Authorised Representatives to manage the Project.

10.3 The Project Board shall have authority to:

- approve any expenditure from capital held by the Project Board or any actual or contingent liability assumed by the Project (including providing any associated security);
- authorise KCC to employ or contract with such service providers as it deems appropriate for the Project (acting reasonably) PROVIDED THAT in so doing it shall follow open and transparent procurement procedures and comply with all applicable procurement laws;
- authorise KCC to enter into and vary such agreements as it deems necessary for the effective running of the Project.

10.4 Each of the Partners irrevocably and unconditionally agrees to ratify all actions and decisions of the Project Board properly performed within the scope of this authority.

11 REPORTING

11.1 Project reporting shall be undertaken as follows:

Project Board: Minutes and actions will be recorded for each Project Board meeting. Any additional reporting requirement shall be at the discretion of the Project Board.

Organisational: the Project Board members shall be responsible for drafting reports to their respective Partners (Cabinet and/or Council) as required for review and/or approval as necessary.

12 ROLES AND RESPONSIBILITIES

12.1 The Partners shall undertake the following roles and responsibilities to deliver the Project: (TO complete)

12.2

Activity	Kent County Council	Tunbridge Wells Borough Council	Southborough Town Council
Project Board	Lead	Assure	Assure
Vision delivery	Lead (subject to full approval by the Project Board)	Assure	Assure
Operations delivery	Lead (subject to full approval by the Project Board)	Assure	Assure
Communications	Lead (subject to full approval by the Project Board)	Assure	Assure
Financial oversight	Lead (subject to full approval by the Project Board)	Assure	Assure
Legal	Lead (subject to full approval by the Project Board)	Assure	Assure
Procurement	Lead (subject to full approval by the Project Board)	Assure	Assure
Project build delivery	Lead (subject to full approval by the Project Board)	Assure	Assure
Evaluation	Lead (subject to full approval by the Project Board)	Assure	Assure

12.3 For the purpose of the table above:

"Lead": the Partner which has principal responsibility for undertaking the particular task, and is authorised by the Project Board to determine how to undertake the task. The Lead must act in compliance with the Key Objectives and Principles at all times, and consult with the other Partners in advance if they are identified as having a role to Assure the relevant activity;

"Assure": the Partner which will have the opportunity to review and provide input to the Lead before they take a final decision on any activity. All assurance must be provided in a timely manner. Any derogations raised must be limited to raising issues that relate to specific needs that have not been adequately addressed by the Lead and/or concerns regarding compliance with the Key Objectives and Principles.

12.4 Within 3 months of the date of this MoU the Partner with the lead role for any aspect of the Project shall develop a delivery plan for that part of the Project which shall identify the following:

12.4.1 the key milestones for the delivery the Key Objectives;

12.4.2 what employees (other than employees identified in this MoU) will be required to work on the Project;

12.4.3 whether any staff will need to be seconded from one Partner to the other;

12.4.4 what staff will require access to the premises of the other Partner;

Each delivery plan must be approved by the Project Board prior to being implemented.

13 ESCALATION AND EXPERT DETERMINATION

13.1 If either Partner has any issues, concerns or complaints about the Project, or any matter in this MoU, that Partner shall notify the other Partners and the Partners shall then seek to resolve the issue through the Project Board. If the issue cannot be resolved within a reasonable period of time, the matter shall be escalated to be determined by an Expert in accordance with the provisions of this Clause 13 ..

13.2 The Partners shall agree on the appointment of an independent Expert and shall use reasonable endeavours to agree with the Expert the terms of his appointment.

13.3 Each Partner shall be entitled to make representations to the Expert and will provide (or procure that others provide) the Expert with such assistance and documents as the Expert reasonably requires for the purpose of reaching a decision.

13.4 The Expert is required to prepare a written decision and give notice (including a copy) of the decision to the parties within a maximum of one month of the matter being referred to the Expert.

13.5 If the Expert dies or becomes unwilling or incapable of acting, or does not deliver the decision within the time required by this clause then:

13.5.1 either party may apply to discharge the Expert and to appoint a replacement Expert with the required expertise; and

- 13.5.2 this clause shall apply to the new Expert as if he were the first Expert appointed.
- 13.6 All matters under this clause must be conducted, and the Expert's decision shall be written, in the English language.
- 13.7 To the extent not provided for by this clause, the Expert may in his reasonable discretion determine such other procedures to assist with the conduct of the determination as he considers just or appropriate including (to the extent he considers necessary) instructing professional advisers to assist him in reaching his determination.
- 13.8 Each party shall with reasonable promptness supply each other with all information and give each other access to all documentation and personnel and/or things as the other party may reasonably require to make a submission under this clause.
- 13.9 The Expert shall act as an expert and not as an arbitrator.
- 13.10 Each party shall bear its own costs in relation to the reference to the Expert
- 13.11 All matters concerning the process and result of the determination by the Expert shall be kept confidential among the parties and the Expert.
- 13.12 Each party shall act reasonably and co-operate to give effect to the provisions of this clause and otherwise do nothing to hinder or prevent the Expert from reaching his determination.

14 INTELLECTUAL PROPERTY

- 14.1 The Partners intend that any intellectual property rights created in the course of the Project shall vest in the Partner whose employee created them
- 14.2 Where any intellectual property right vests in either Partner in accordance with the intention set out above, that Partner shall grant an irrevocable licence to the other Partner to use that intellectual property for the purposes of the Project.

15 TERM AND TERMINATION

- 15.1 This MOU shall commence on the date of signature by all Partners, and, subject to clause 15.2, shall expire on the earlier of practical completion of the Project and the expiry of the Option Period.
- 15.2 If the development of the Project has been Implemented within five (5) years from the date hereof then this MOU shall not terminate until:
- a unanimous decision of the Project Board is reached that the delivery of the whole of the Project is no longer viable or prudent.
 - the Project has reached practical completion

16 VARIATION

16.1 This MoU, including the Schedule and Annexes, may only be varied with the unanimous agreement of the Partners in writing.

17 CHARGES AND LIABILITIES

17.1 Except as otherwise provided, the Partners shall each bear their own costs and expenses incurred in complying with their obligations under this MoU.

17.2 The Partners agree to share the costs and expenses arising in respect of the Project between them in accordance with the Financial Contributions set out in Schedule 2.

17.3 The Partners shall remain liable for any losses or liabilities incurred due to their own or their employees' actions and neither Partner intends that the other Partner shall be liable for any loss it suffers as a result of this MoU.

18 STATUS

18.1 This MoU is not intended to be legally binding, and no legal obligations or legal rights shall arise between the parties from this MoU. The parties enter into the MoU intending to honour all their obligations.

18.2 Nothing in this MoU is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party as the agent of the other party, nor authorise either of the parties to make or enter into any commitments for or on behalf of the other party.

19 GOVERNING LAW AND JURISDICTION

19.1 This MoU shall be governed by and construed in accordance with English law.

Signed for and on behalf of KCC

Signature:

Name:

Position:

.....

Signed for and on behalf of TWBC

Signature:

Name:

Position:

.....

Signed for an on behalf of STC

.....

Signature

.....

Name

.....

Position

.....

SCHEDULE 1 THE PROJECT

1. PROJECT OVERVIEW AND DEVELOPMENT AGREEMENT

1.1 The STC Option and the TWBC Option have been entered into simultaneously with completion of this MOU and KCC has agreed to contribute the KCC Land in order that KCC shall deliver the Project.

1.2 The Partners intend that KCC shall, on behalf of the Partners and in collaboration with them, develop the following proposals:

- a. a comprehensive business plan to be agreed by the Project Board for both the capital and operational element of the Project ;
- b. an arrangement by which KCC, STC and TWBC share in the proportions referred to in paragraph 2.2 of Schedule 2 any economic return from the development of the Land and Additional Land, however obtained;
- c. the concept, design, layout, specification and any planning application in respect of the Project will be in accordance with the Accommodation Requirements which will include:
 - a theatre
 - library facilities
 - council offices
 - sports pavilion;
 - café;
 - medical facility (subject to feasibility);
- d. the concept, design and layout of the enabling Residential Development together with an agreed plan for bringing the Residential Development forward in terms of a planning application and marketing strategy
- e. considering fully the implications of SDLT and VAT;
- f. options for the future operation of the Project, including the possibility of a not for profit organisation to operate it.

1.3 The Partners agree that the proposals contained in paragraph 1.2, of this Schedule 1 , the Project Principles (where appropriate) and Schedule 2 (Financial Issues) shall be developed in accordance with this MOU with a view reaching agreement so that the Development Agreement can be drafted negotiated and exchanged as soon as practicable.

2. PROJECT PRINCIPLES

2.1 The STC Option and the TWBC Option have been entered into simultaneously with completion of this MOU and KCC has the ability to call for the transfer of the STC Land and the TWBC Land to be transferred to KCC. The STC Land and the TWBC Land may only be used for the Project.

2.2 The Partners intend that the Land will be developed as the Project.

2.3 The Partners agree that the Residential Development is the enabling development and it is intended that the proceeds of sale from the Residential Development shall pay for the costs of the rest of the Project.

2.4 KCC agree that any overage that it is entitled to in respect of any part or parts of the STC Land shall be waived.

2.5 The Partners agree to use reasonable endeavours to maximise the market value of the Residential Development.

2.6 The overall contributions of the Partners shall be considered to be based on the total land area contributed by each Partner. The contributions are detailed in Schedule 2 (Financial Contributions).

2.7 The Project Board shall authorise KCC to procure surveys, valuations and other professional services on behalf of the Partners in order to submit planning applications.

2.8 Any planning application and all plans and drawings must be approved by the Project Board prior to their submission to the local planning authority.

2.9 At the point in the development of the Project where STC is required to vacate the part of the TWBC Land known as 137 London Road, TWBC shall provide STC with temporary office accommodation until the new office part of the Project is completed and ready for occupation by STC.

2.10 Following the completion of the development the following terms shall apply and the Development Agreement shall provide that :

- a. STC will have the option to purchase the completed Project excluding the sports pavilion and Yew tree Road car park from KCC for £1 subject to a new lease being granted to KCC of the library building for 99 years at a peppercorn rent. The lease will contain provision for KCC to contribute to the Project service charge at an appropriate level.
- b. TWBC will have the option to purchase the Yew Tree Road car park (forming part of the TWBC Land) for £1 or will be granted a long term lease of the same at a peppercorn rent
- c. KCC will have the option to retain the completed sports pavilion within its separate ownership or (if the freehold is transferred to STC) KCC will be granted a long lease at a peppercorn rent.
- d. Any tenants within the scheme will be responsible for a fair proportion of the overall service charge and the maintenance and up keep of their property. Commercial tenants and tenants not being one of the Partners will be required to pay an appropriate commercial rent. Commercial income received from the Project development is to be used in support and maintenance of the overall scheme.

SCHEDULE 2 FINANCIAL ISSUES

1 CONTRIBUTIONS

1.1 Each of the Partners has provided [Twenty Five Thousand Pounds (£25,000)] towards the enabling costs of the Project (the "**Contributions**").

1.2 If the Partners agree to contribute any further sum to the enabling costs of the Project then such sum shall be added to any existing sum and treated as that Partner's Contribution of the purposes of priority recovery of costs pursuant to paragraph 2.

1.3 Capital costs for the Project will be met by an enabling Residential Development. The Development Agreement will provide that the Residential Development shall be sold and the proceeds of sale will be held by KCC on trust for STC and TWBC in a KCC escrow account and overseen by the Project Board. Funds will be released in the following order:

- secure the purchase of the Additional Land (and repay any funds provided by the Partners in order to acquire the Additional Land);
- procure the construction for the Project;
- fund the relocation of STC's maintenance staff and equipment storage facility including the cost of any new facility and the refurbishment of it;
- repay the Contributions to the Partners.
- repay to each Partner any capital contributions made to the Project including the capital contributions set out in section 4.1 below
- distribute to each Partner any surplus funds from the sale of the Residential Development and/or Project based on the percentages set out in paragraph 2.2 below following completion of the Project..

1.4 All capital contributions made by a Partner shall be credited to the capital balance of the Project.

2 RETURN OF CONTRIBUTIONS AND LOANS

2.1 Within one month of the date of practical completion of the Project, the Project Board shall have discretion to determine when to distribute any capital surplus balance or any of the Contributions.

2.2 Any surplus of capital remaining after the scheme is complete shall be redistributed to Partners based on the following percentages which is based on the proportions of the Land contributed to the Project.

Partner	Profit Percentage (%)
Kent CC	15.59
TWBC	14.54
STC	69.87

3 SHARING OF COSTS

All costs and expenses incurred in respect of the Project prior to the sale of the Residential Development shall be agreed by the Project Board and shall be born 33.3% KCC; 33.3% STC; 33.3% TWBC. The Partners have, at the date of this agreement, each contributed £25k. It is anticipated that a further £70k will be required from each Partner.

4 FINANCE

KCC will provide monthly updates to the Project Board on the state of the funding, including remaining funds and funds committed.

5 MISCELLANEOUS

- 5.1 Where possible the three Partners will work in partnership with Kent Highways Services to ensure the successful delivery of the improvements to Yew Tree Road.
- 5.2 The Partners will agree and prepare a business plan prior to the opening of the Project detailing the future management proposals.

ANNEX A – Plan

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Southborough Hub - Risk Log 01/04/15

	Type	Description	Impact 1 Minor 2 Moderate 3 Significant 4 Serious 5 Major	Probability 1 V. unlikely 2 Unlikely 3 Possible 4 Likely 5 V. likely	Score (IXP) & Rating (Low/ Med/ High)	Responses to the risk (Consider Prevention /Reduction/ Acceptance /Contingency/ Transference as well as existing controls)	Revised Impact	Revised Probability	Revised score & rating	Planned Outcome	Owner	R A G
1	Political / Reputational	Project delayed due to councils not being able to agree a way forward	5	4	20 High	Project is looking to sign the three councils up to a Call Option and Memorandum of Understanding so that the partners are locked in and must work with each other to deliver a viable and acceptable outcome	3	3	9 Medium	Project delivered on time	Project team	A
2	Project / finance	Project stalls as councils do not wish to invest capital / revenue costs up front to progress the project	5	4	20 High	Seeking early agreement on the up front investments and have contingency methods in place should one partner refuse or is unable to inject further funds.	3	3	9 Medium	Project fully funded	Project team	A
3	Political / Reputational	Two options are being put forward refurb / new build. The latter is very contentious and highly political	5	5	25 High	Full and thorough evaluation of both options will be presented to the project board and a thorough public consultation will be done to ensure that the chosen option can be validated	4	4	16 High	Acceptable option delivered	Project Board	R
4	Project / Finance	Two options are being developed and the longer both are pursued the higher the costs will be	3	3	9 Medium	Public consultation to determine which scheme is best to be followed once the two schemes have been sufficiently worked up.	2	2	4 Low	Project does not overspend	Project team	R
5	Political / Project	Councils fail to agree and or sign up to Call Options and Memorandum of Understanding	3	3	9 Medium	Sign the documents prior to the elections or should that fail look to work with the councils to bring forward a development agreement. Councils agree to terminate the project and KCC and TWBC dispose of assets with small refurb of RVH considered by STC	3	2	6 Low	Councils agree a way forward	Project team	G
6	Project / Finance	Lloyds bank close their branch and sell the freehold of the site	3	3	9 Medium	Project group is currently in negotiations with them over the purchase of the land. Project could consider purchasing the entire site	2	2	4 Low	Land is secured for the development	Project team	G

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						and disposing of excess land. Register it as a community asset given that it is the last bank in the town. Consider Compulsory Purchase Order						
7	Project / Finance	Cost overrun due to requirement for additional works.	5	3	15 Medium	<ul style="list-style-type: none"> - Design and build contract could ensure that a greater level of risk was taken on by the contractor - Value engineering as necessary to ensure the final scheme is viable - Fix cost to be agreed on IT and FF&E prior to build - Any additional cost items to be highlighted immediately and escalated - Clear scope and approval process for additional items - STC have the capability to input further capital should they require it 	2	2	4 Low	Project delivered on budget	Project team	G
8	Political/ Reputation	Political and reputation damage to councils if modernisation is delayed	4	4	16 High	Councils are determined to enter into a legally binding position to move the project forward	3	2	6 Low	Project delivered on time	Project team	G
10	Service	Disruption to customers due to modernisation	3	4	12 Medium	<ul style="list-style-type: none"> - Library service will continue to function from its current off site location and will transfer once the project is complete - Football club will be phased with the new pavilion brought forward before the demolition on their current facilities - Theatre groups may or may not be phased subject to what option is brought forward and or whether the RVH can be re-opened - Town Council is looking to re-locate to other premises in the interim build period 	2	2	4 Low	Minimise disruption to customers	Project Team	G
11	Legislative/ Financial	Asbestos issues in buildings greater than that identified leading to possible time delays	3	4	12 Medium	- Intrusive and destructive asbestos survey done on the RVH and only small quantities have been identified	1	1	1 Low	Asbestos issues do not cause delays	Project team	G

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12	Project	Lack of co-ordination of services, contractors and ICT.	4	4	16 High	- Need to scope works and plan timescales carefully -Regular planning meetings to ensure issues discussed. - Project plan and timescales regularly reviewed	2	2	4 Low	Partners work to one plan with clear governance structure	Project team	
13	Project	137 London Road is currently unregistered and TWBC does not hold any title documents and is not in occupation and the call option cannot happen until the land is registered	3	4	12 Medium	- Application made to land registry underway - Seeking support from STC for application - KCC will take out defective title insurance - Land does not need to be called immediately	2	2	4 Low	Project delivered on time	Project team	G
14	Procurement / Project	Procurement route and the need to go out for both housing and community buildings fails to deliver best value	3	3	9 Medium	- Re-run tendering - Seek independent cost plan to determine value for money	2	2	4 Low	Ensure best value for money is achieved	Project team	G
16	Planning	Planning application denied	4	3	12 Medium	- Seek initial planning view from TWBC planners prior to sign off - Revise proposals to meet planning requirements - Minimise planning requirements	2	1	2 Low	Minimise planning risk	Project team	G
18	Partners	Problems in agreeing future service delivery model, costs and partners	5	2	10 Medium	- STC has confirmed a not for profit organisation is the best way forward - Asset collaboration opportunities bring economies of scale - Early dialogue will ensure baselines can be agreed	2	3	6 Low	Smooth transition of service delivery into a shared asset	Libraries, STC, third party not for profit org	G
19	Procurement / Operations	Problems in procuring a not for profit organisation to take on the management of the operations	5	2	10 Medium	- Seek advice on new regulations for putting facilities out to a trust - Work with potential partners to form an acceptable operational model that would be attractive to the market	2	3	6 Low	Service delivery model agreed and operational	Project team	G
20	Project	Partners fail to agree design or level of investment	3	3	9 Medium	- Engage partners early to agree design and investment	2	1	2 Low	Agreement on design and investment	Partners	G

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21	Environmental	Weather disrupts building works	3	3	9 Medium	- Work with consultants to ensure timeline of work is coordinated at the best time of the year to minimise impact to the project	1	3	3 Low	Limited disruption	Project team	
22	Ecological	Animal species disrupt the project or add significant costs	3	3	9 Medium	Ensure all surveys are completed early and all mitigation measures put in place to ensure work can begin when required	2	2	4 Low	Ecological impact minimised	Project team	G
23	Archaeological	Archaeology is found on site and adds significant cost and time delays to the project	3	3	9 Medium	Ensure all desk top surveys are complete and agree an archaeological assessment with KCC at the earliest to ensure contingencies are put aside should they be required	2	2	4 Low	Archaeological risk minimised	Project team	G
	Project	Contractor not able to deliver on time	5	3	15 Medium	Employer's agent to monitor monthly progress and where timeline is slipping ensure contractor rectifies this	2	3	6 Low	Project runs to agreed timeline	Project team	G
	Technological	ICT unable to deliver on time	3	2	6 Low	- Ensure ICT are engaged in the project and in determining its timeline from the outset	3	2	6 Low	Correct procedure in place	IT team	G
	Project	Post construction defects or problems with the works are identified	4	4	16 High	- Identify possible defects early on and resolve within initial contract timeline - Ensure robust defects liability period within the contract to ensure contractor rectifies these at their cost.	2	3	6 Low	Project delivered with no defects	Project team	G

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SOUTHBOROUGH COMMUNITY HUB proposals presentation



-  Royal Victoria Hall / Town Council facilities
-  Not owned by KOC
-  Scope of action
-  Recreation areas
-  Areas of Landscape Importance




- Site boundaries

- 1. Victoria Royal Hall
- 2. Old fire station (unused)
- 3. Shed
- 4. Tesco owned site
- 5. Lloyds, building and plot.
- 6. Parking
- 7. Old School, to be demolished.



SOUTHBOROUGH DEVELOPMENT

 <p>Theatre Library Community Rooms Cafe Offices Flexible Space</p> <p>Community Hub</p>	Cultural/Leisure
Medical Centre	Healthcare
Football Pavillion	Sport
Residential Development	Residential

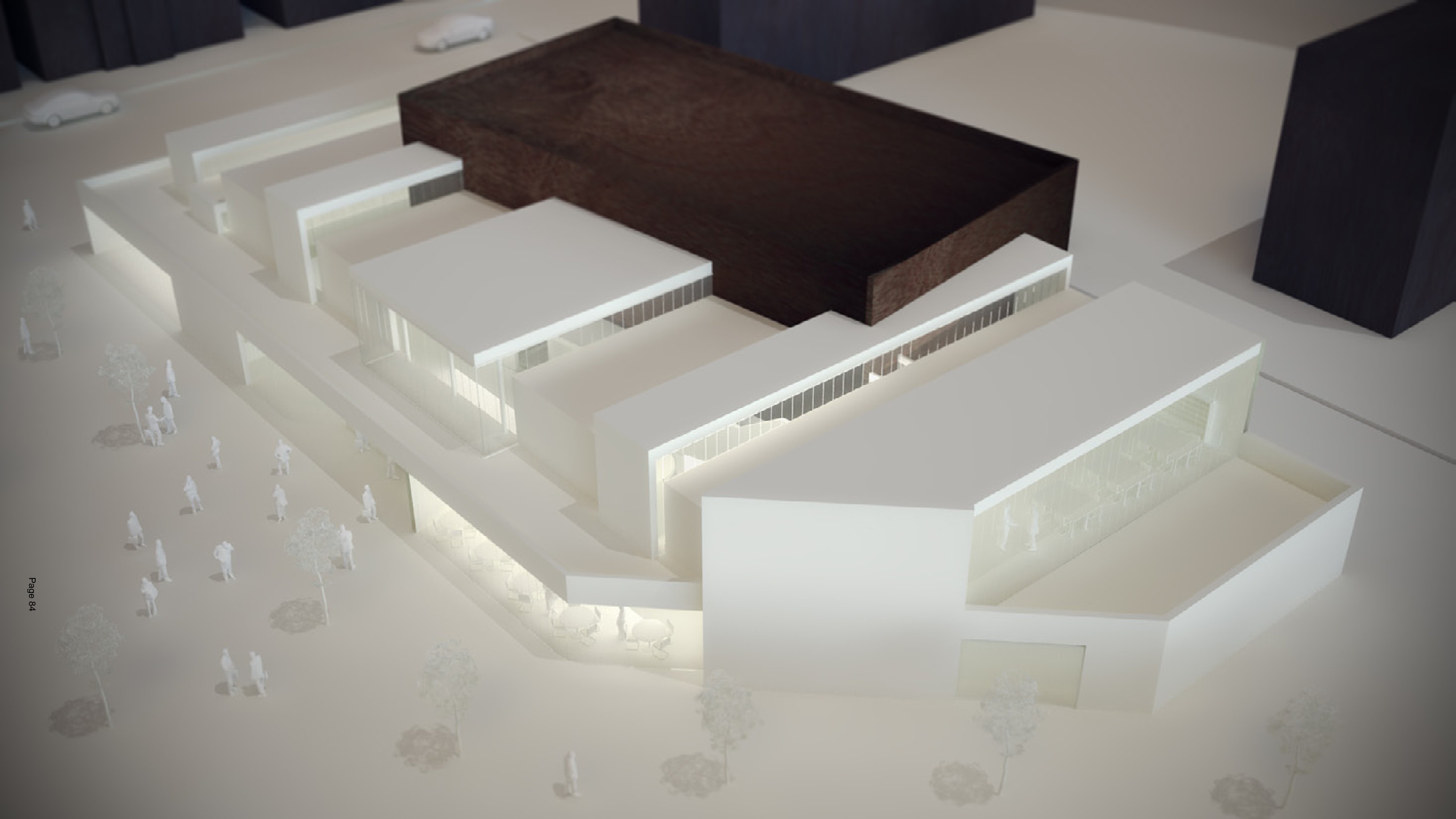
**Community Hub
Development**



OPTION 1
Retention of the Royal Victoria Hall







London Rd

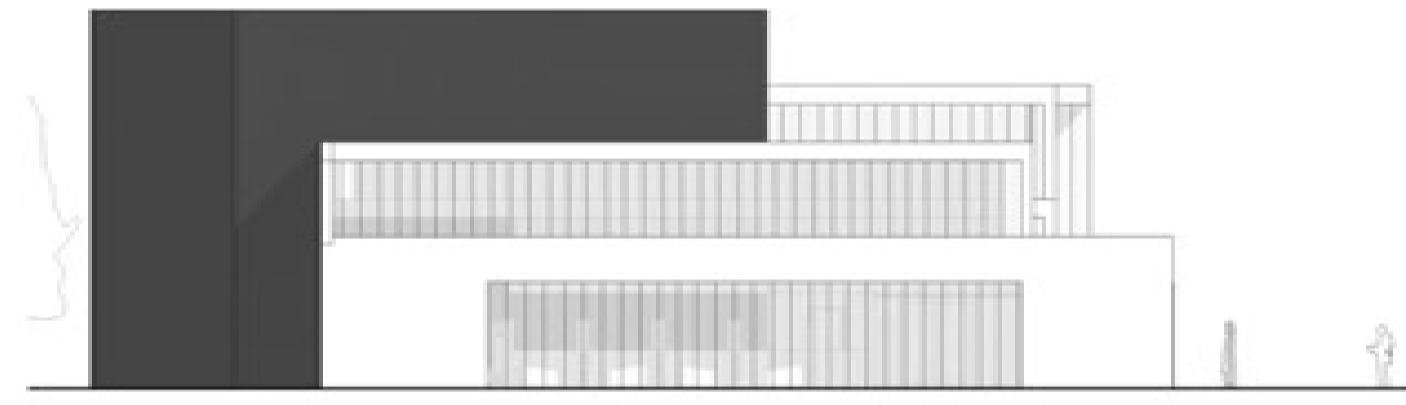
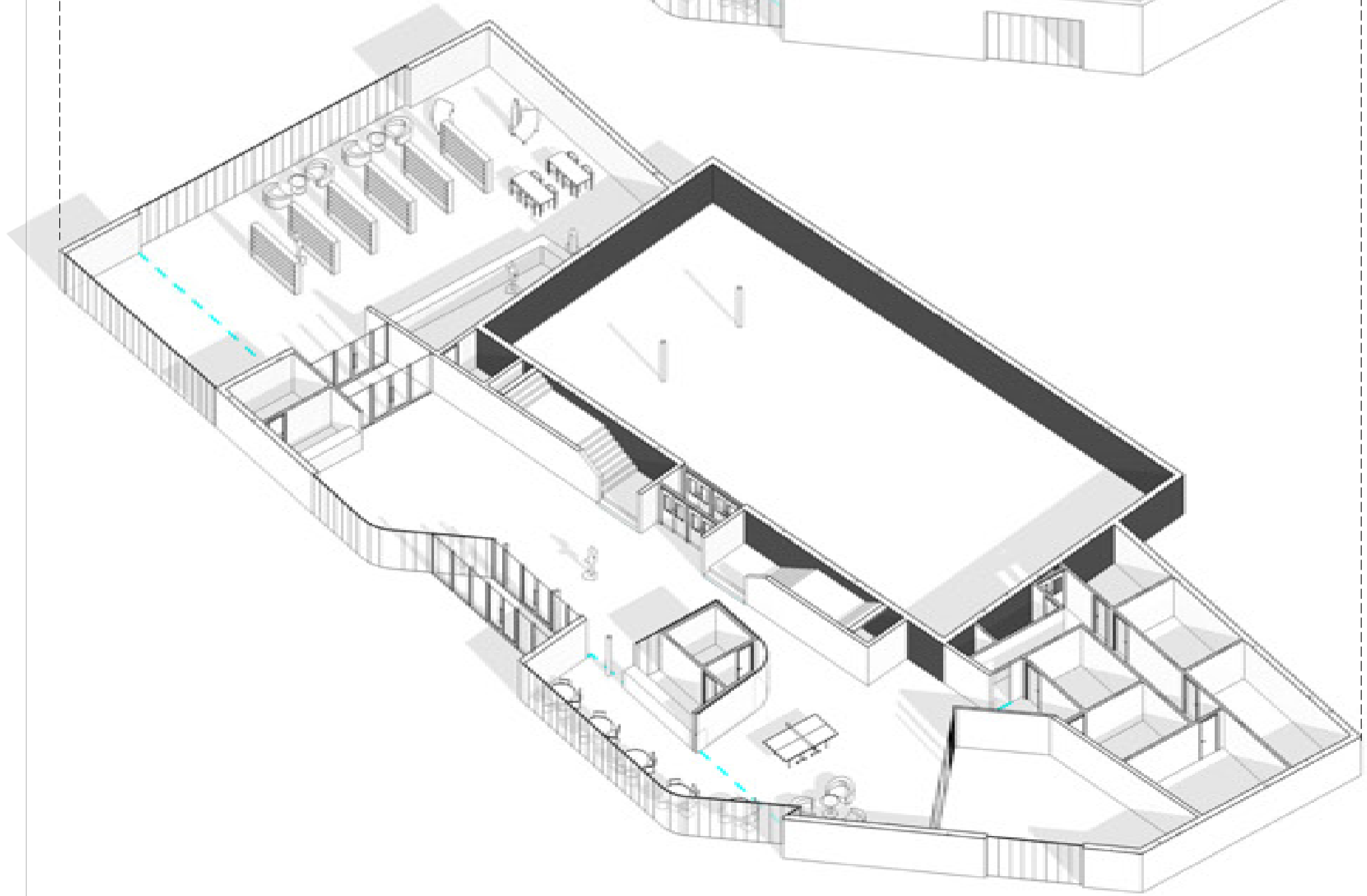
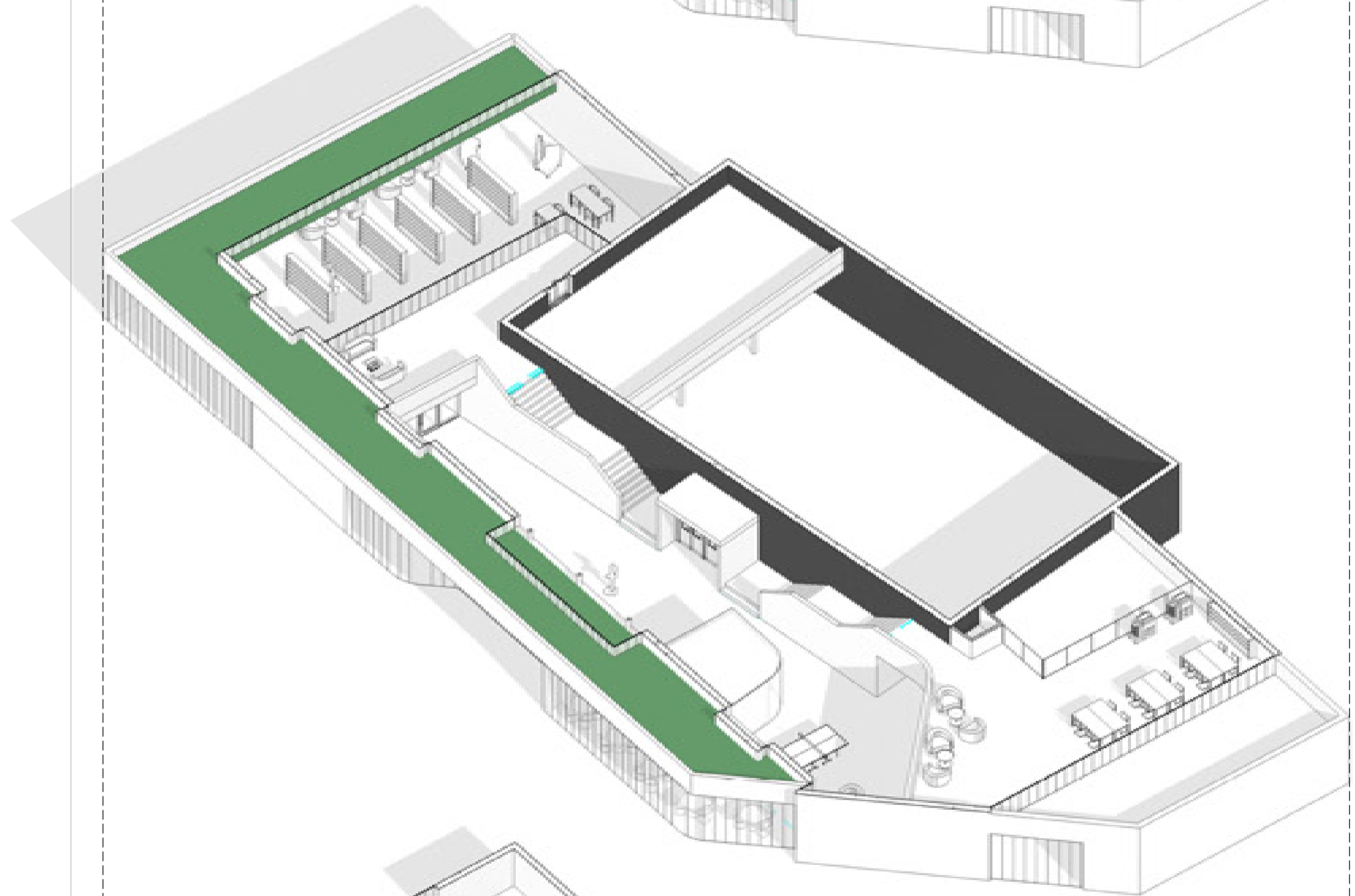
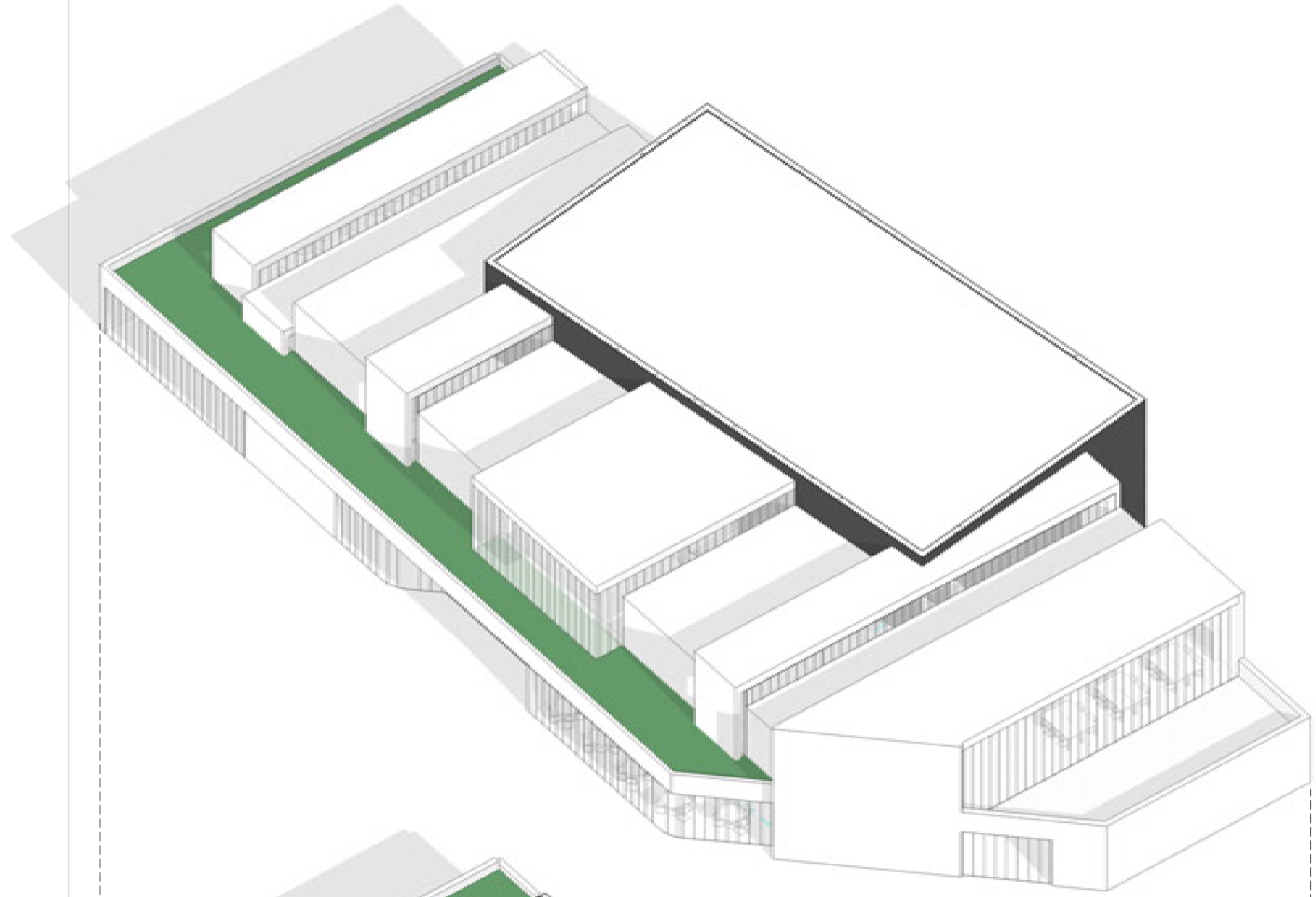


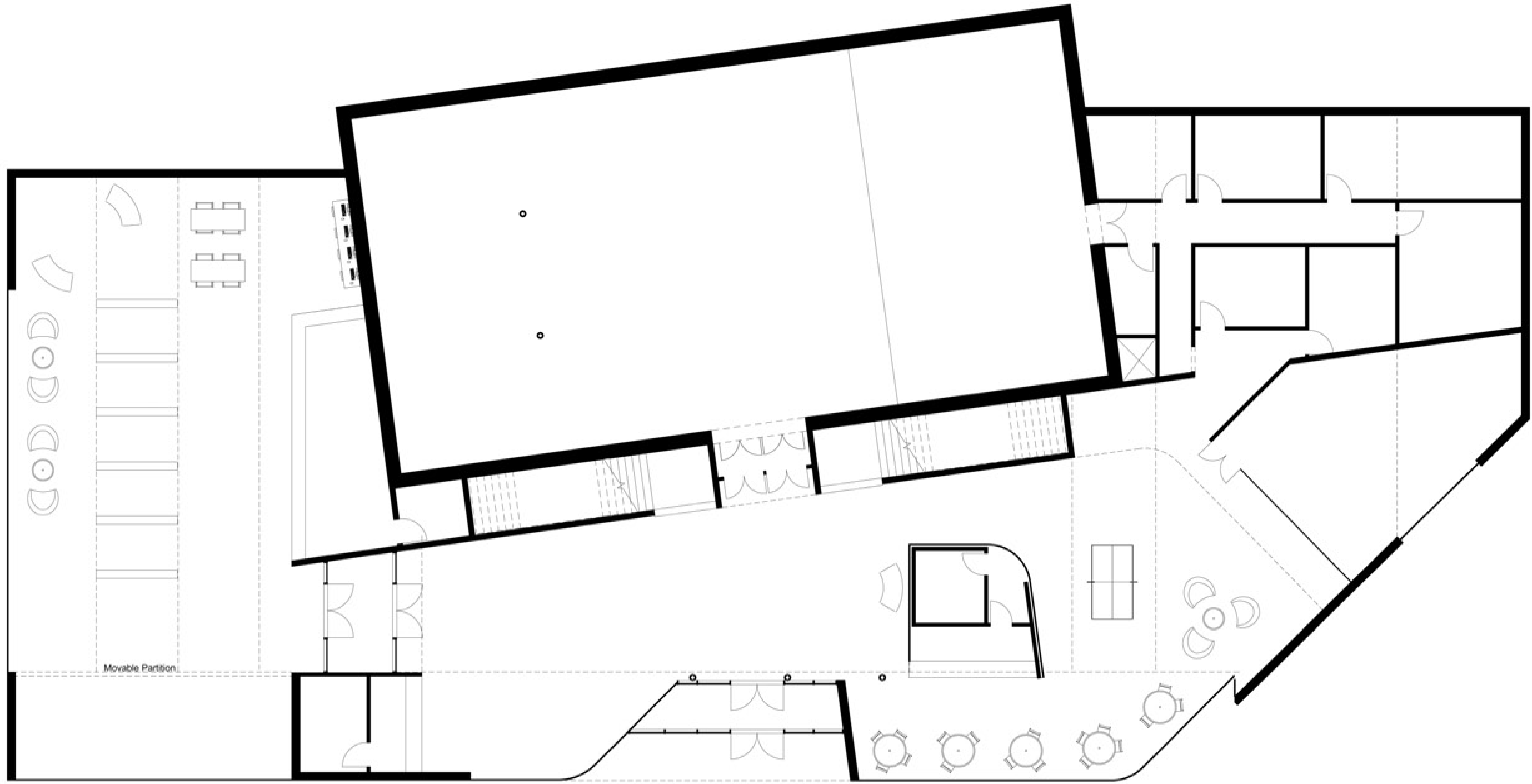


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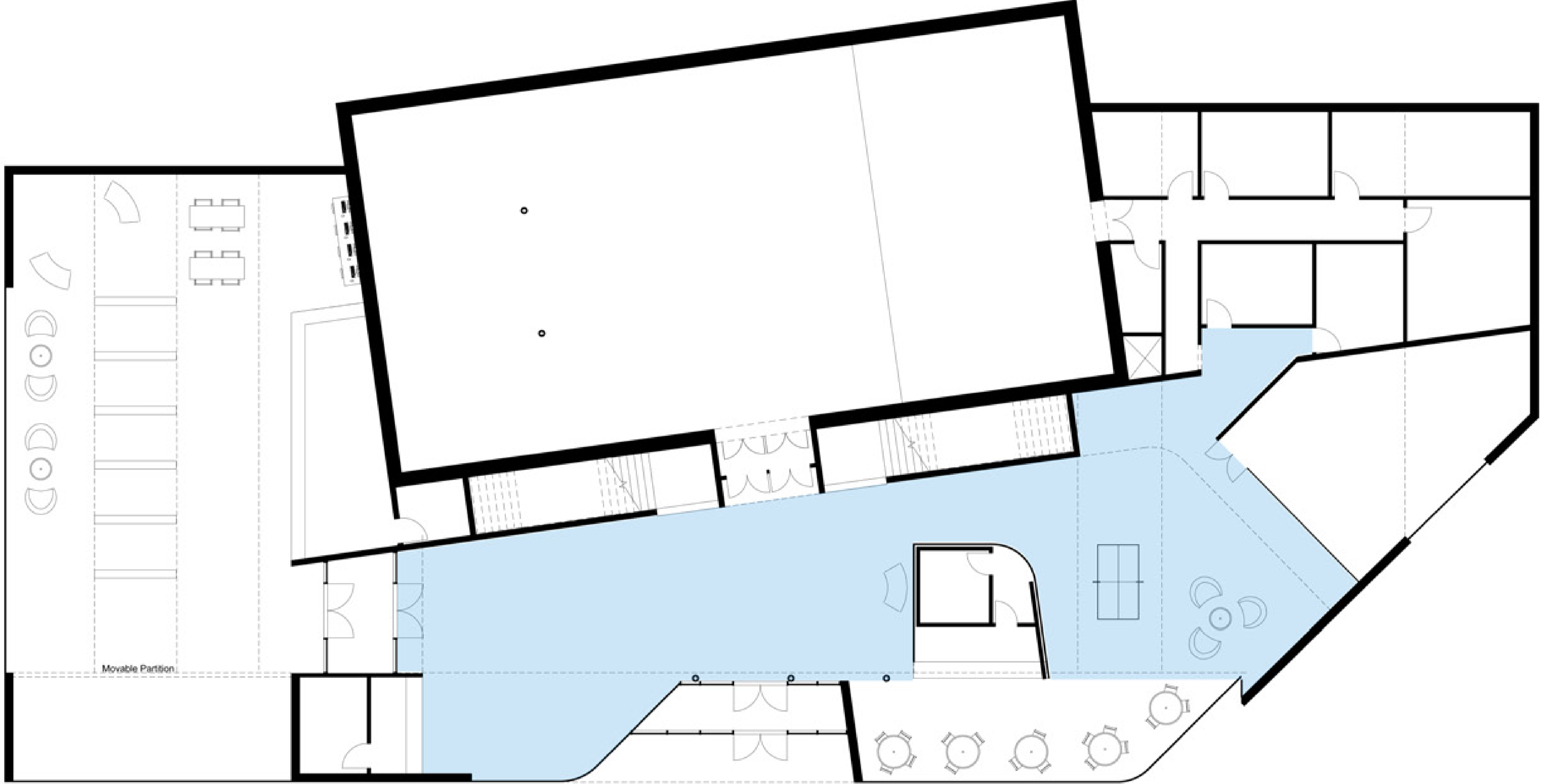
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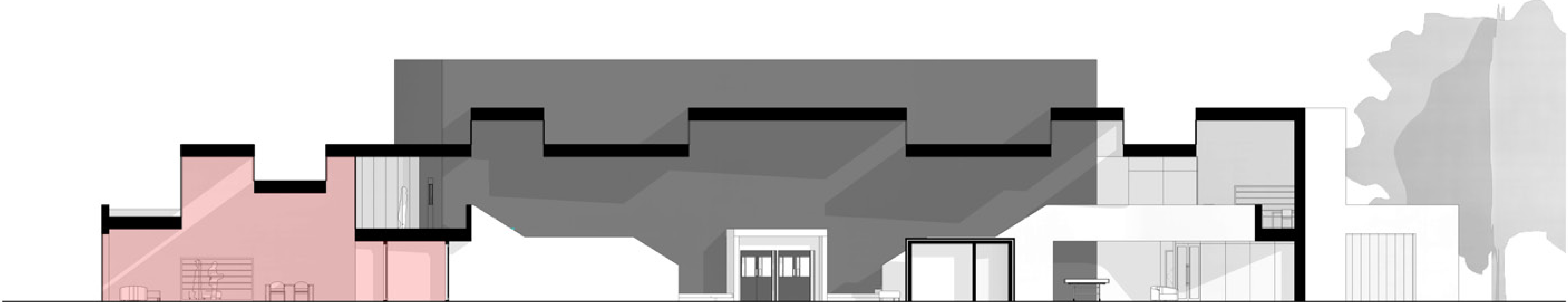
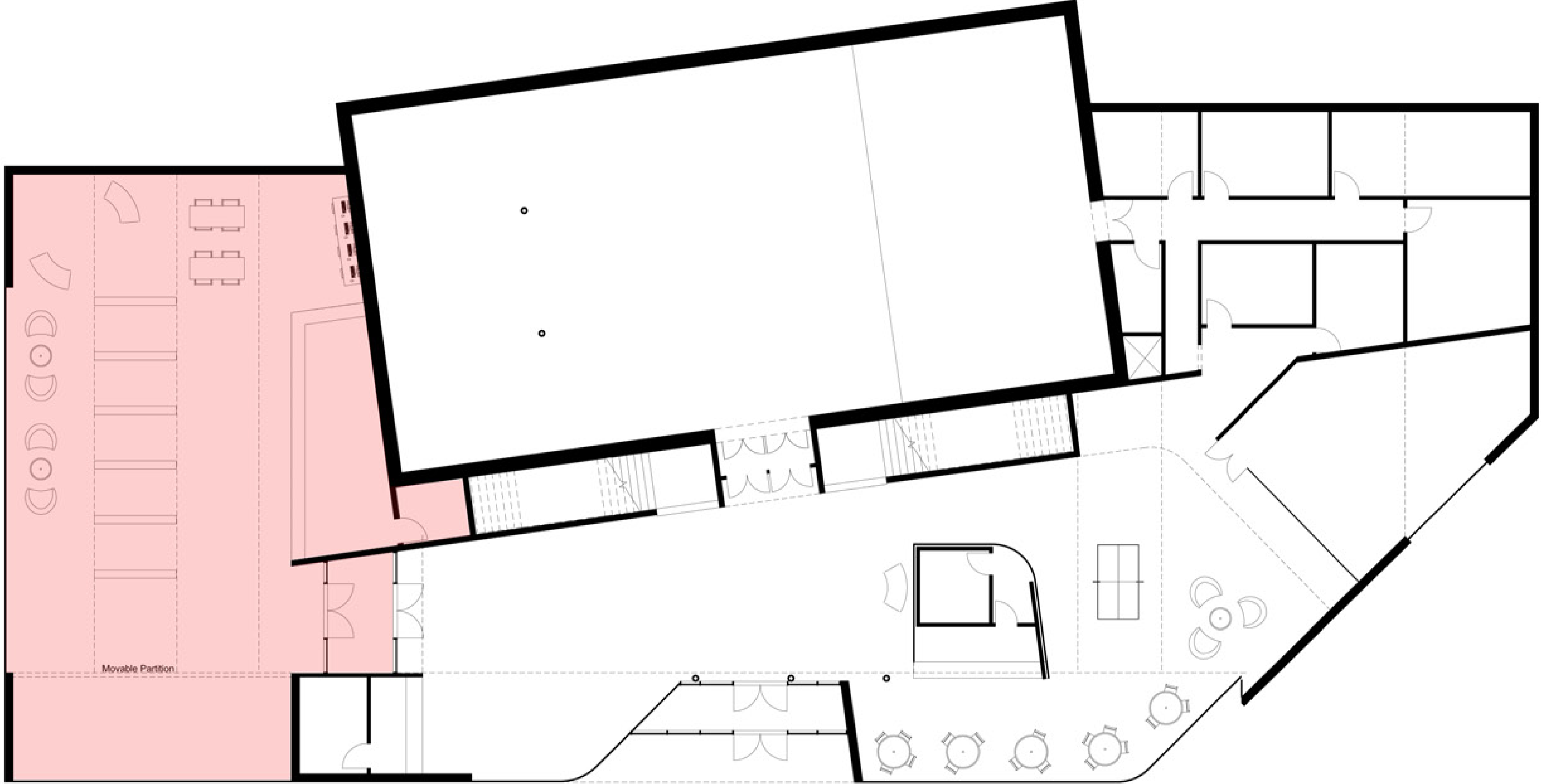




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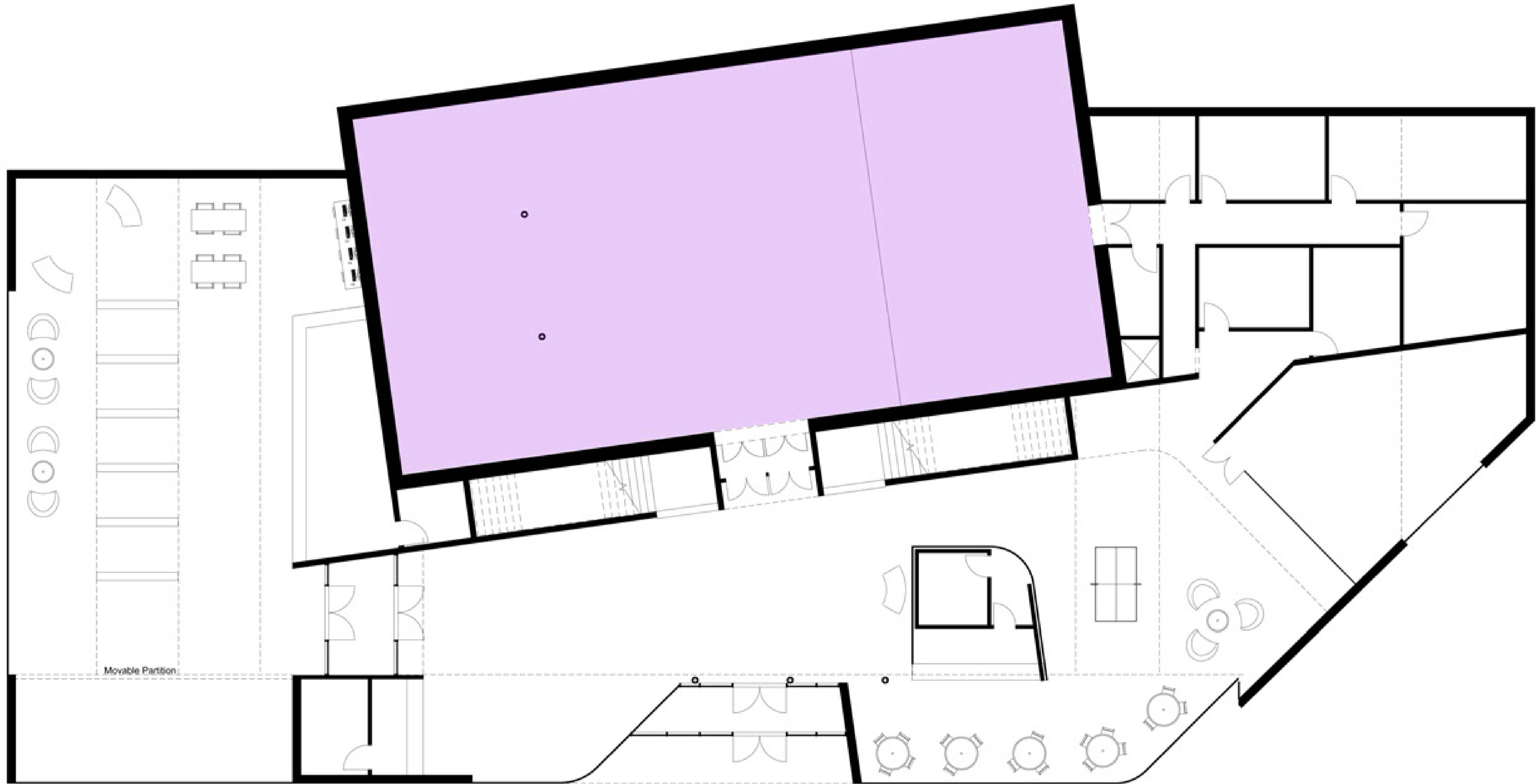


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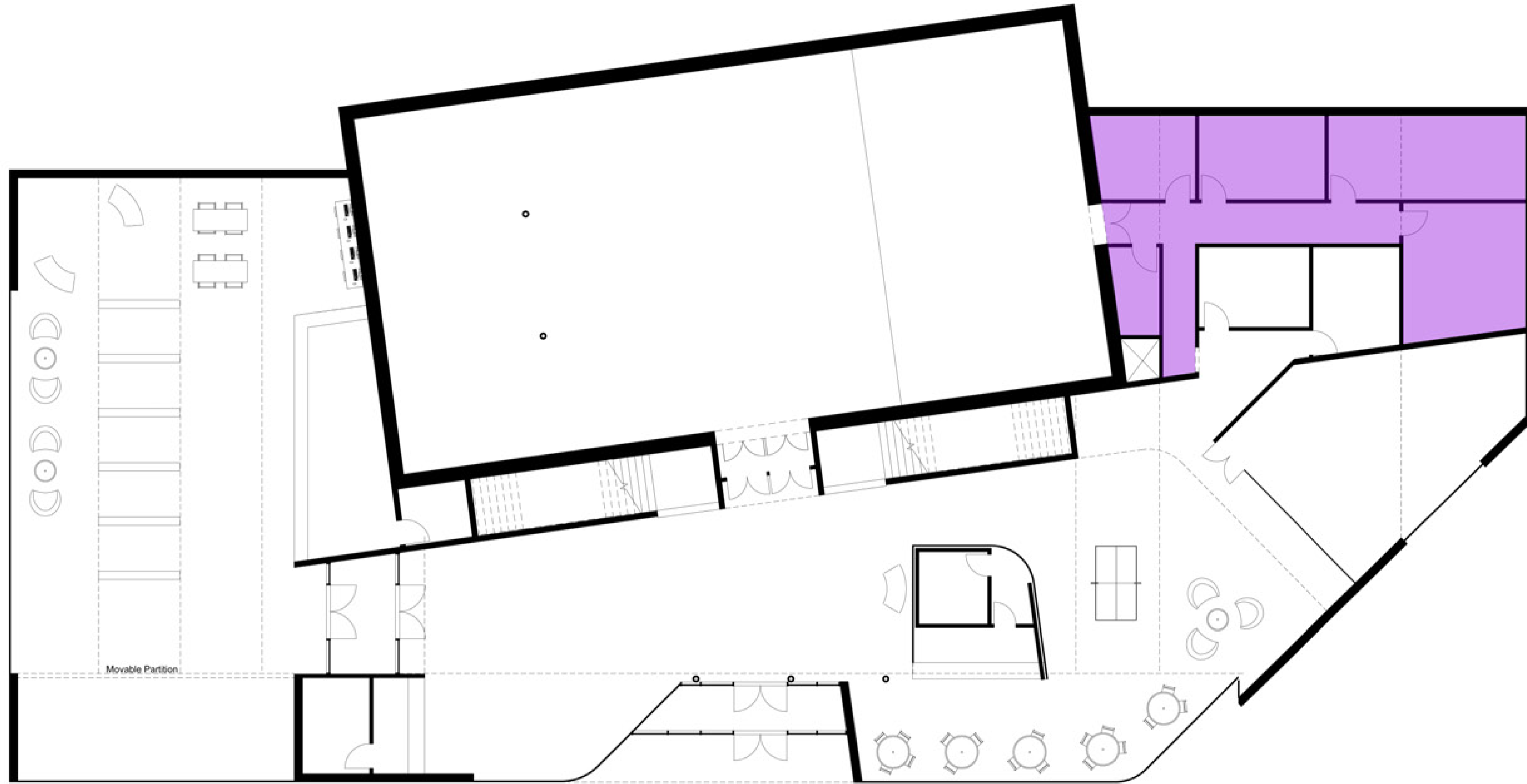


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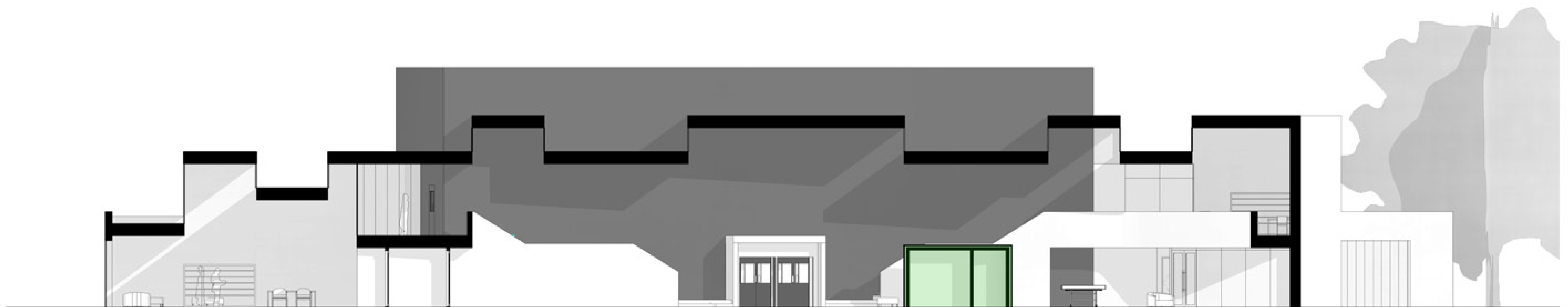
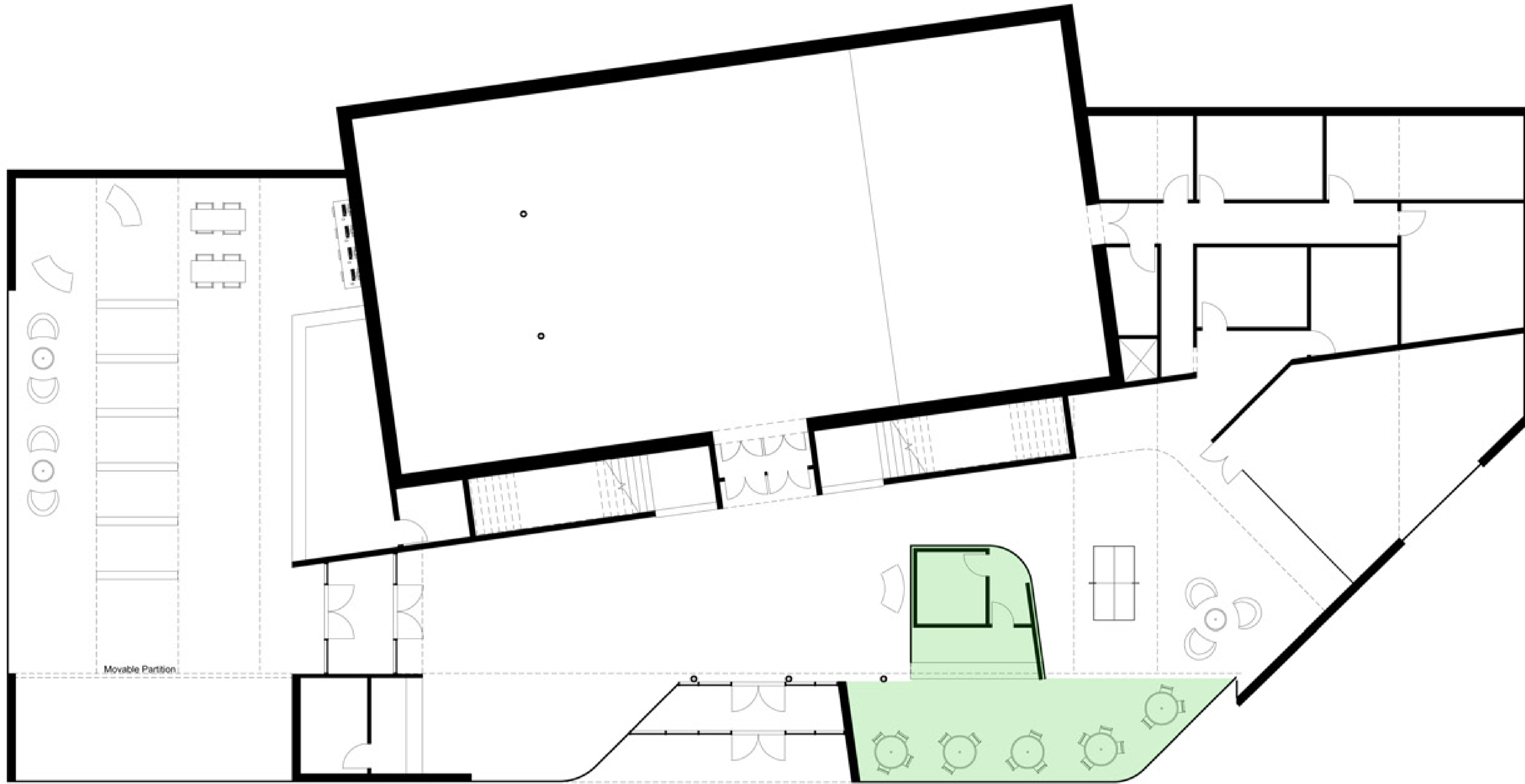
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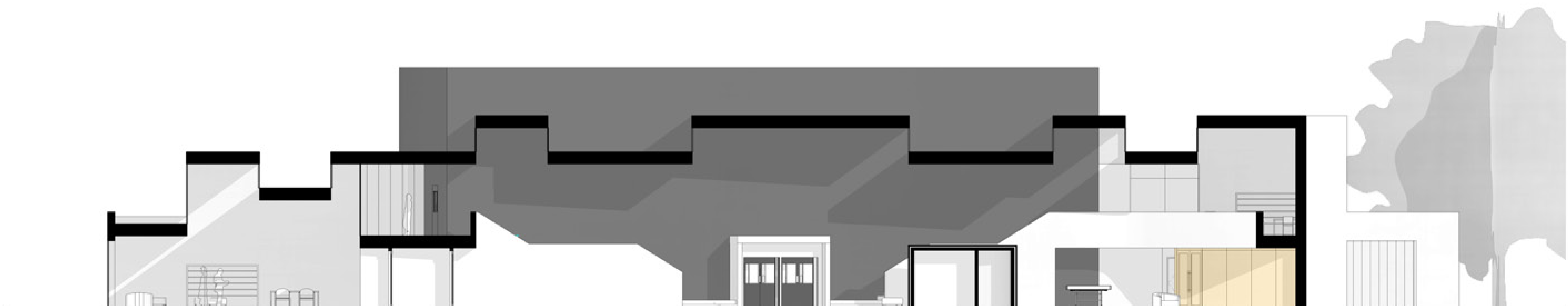
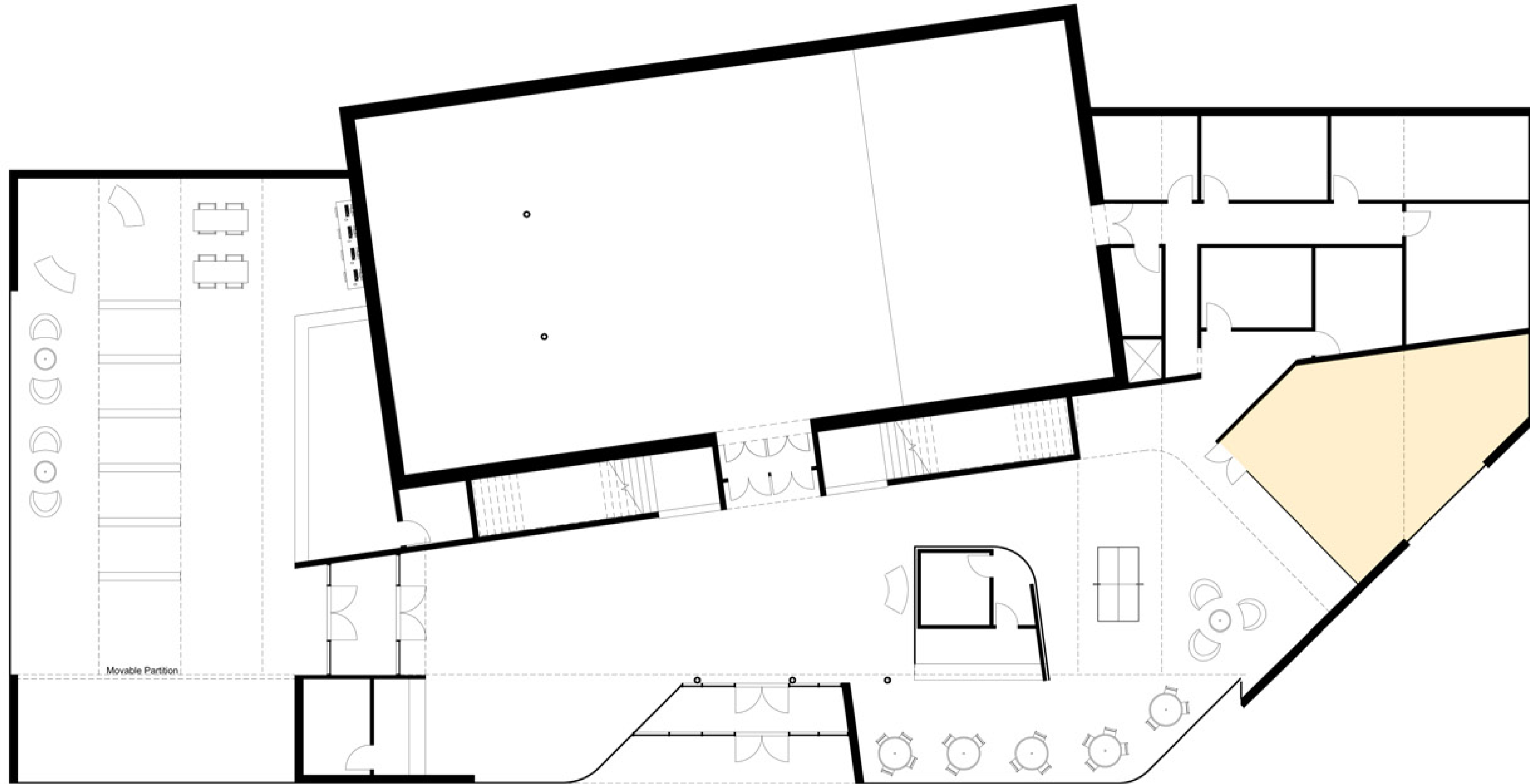
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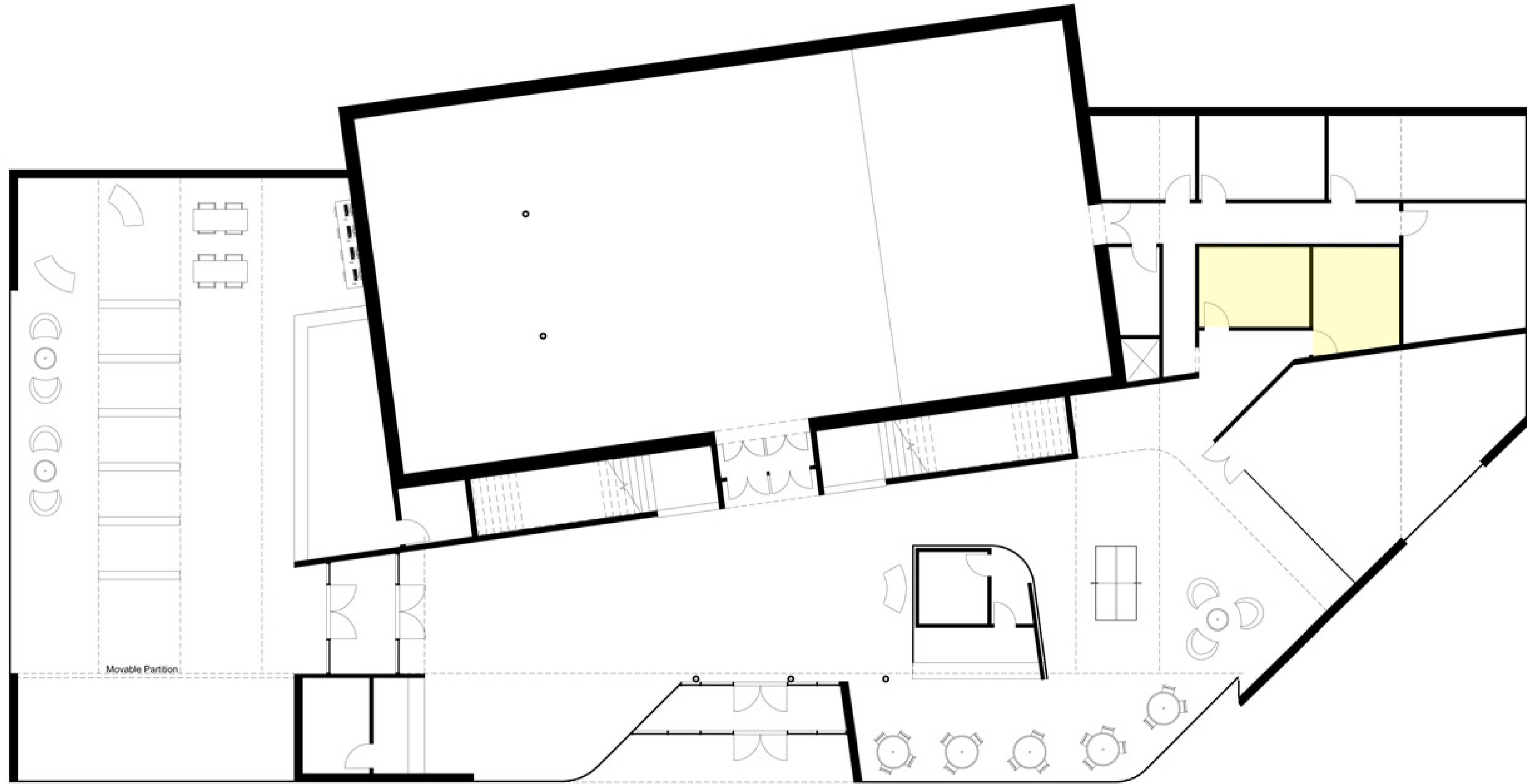
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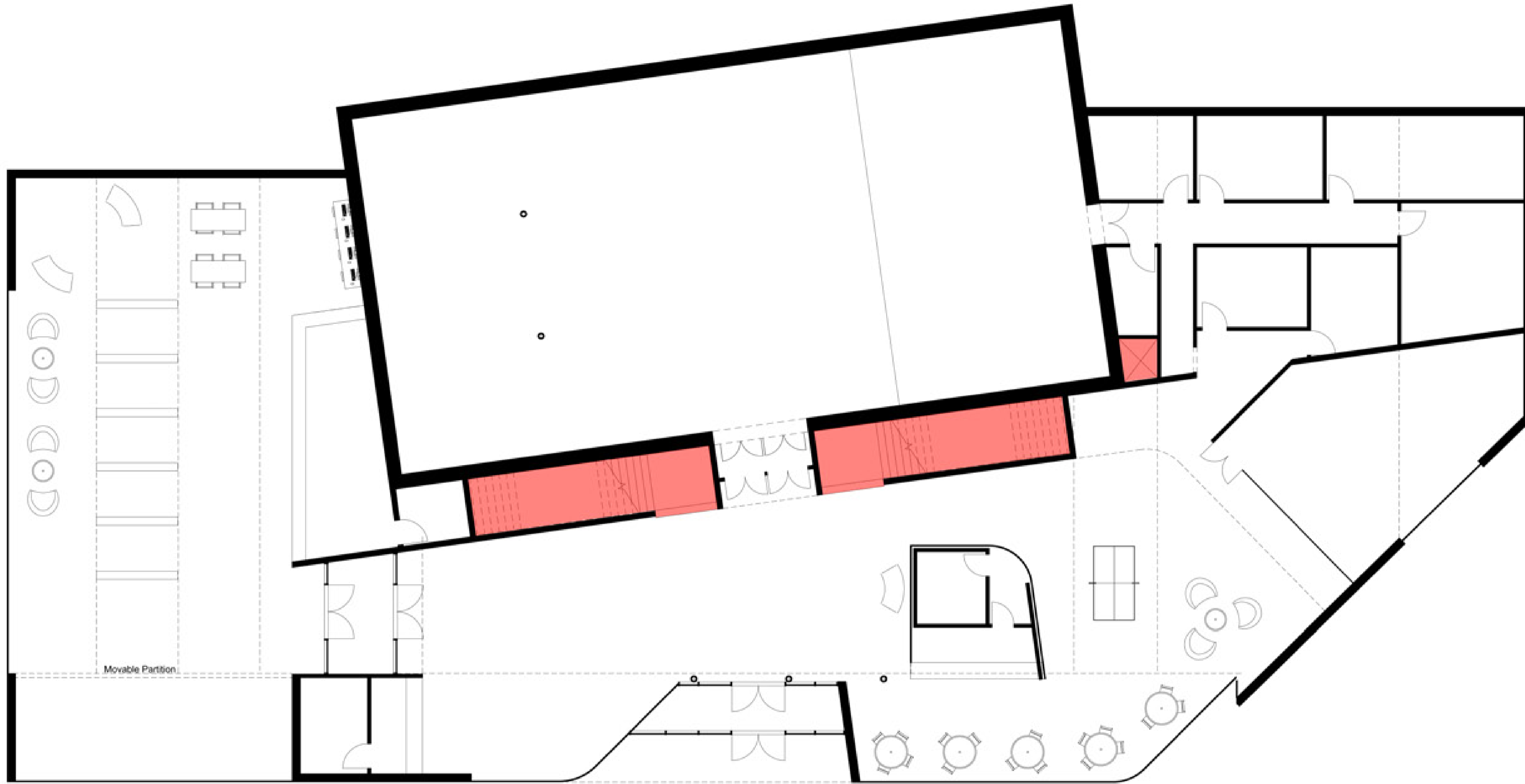
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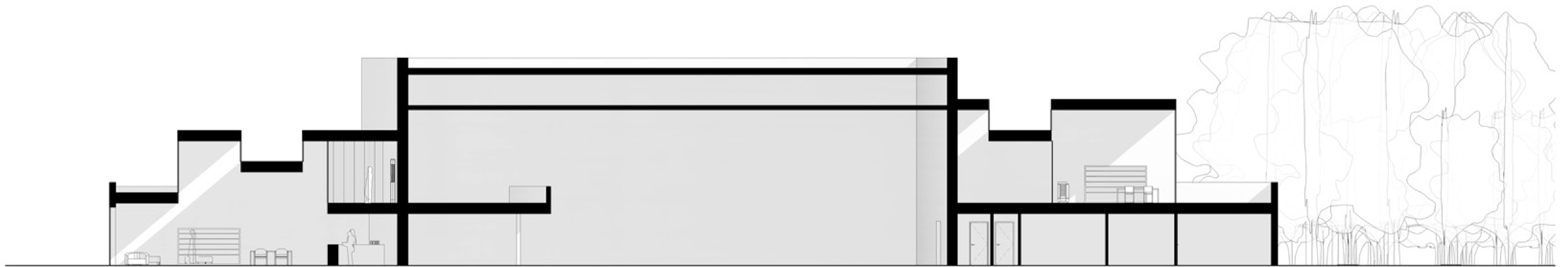
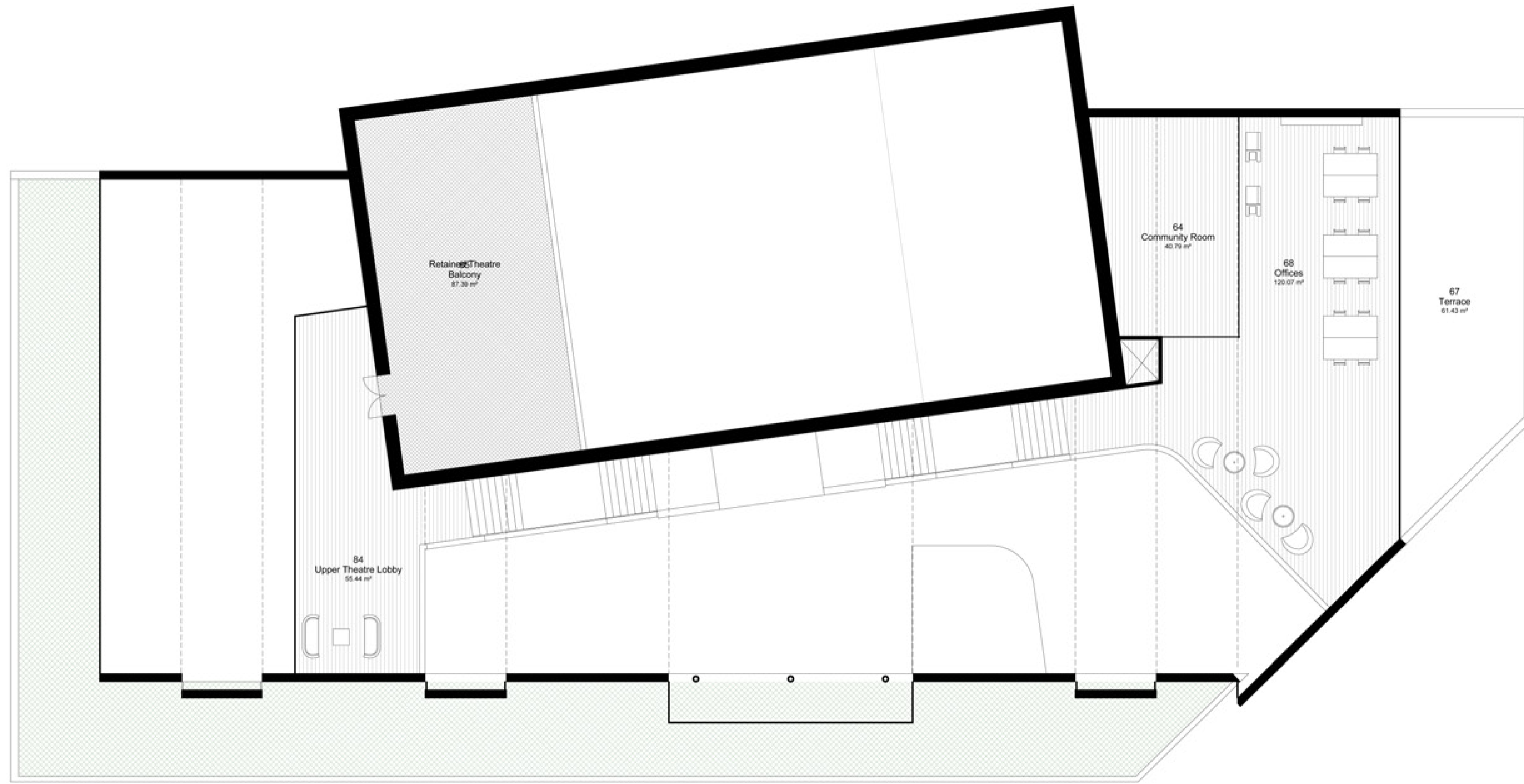


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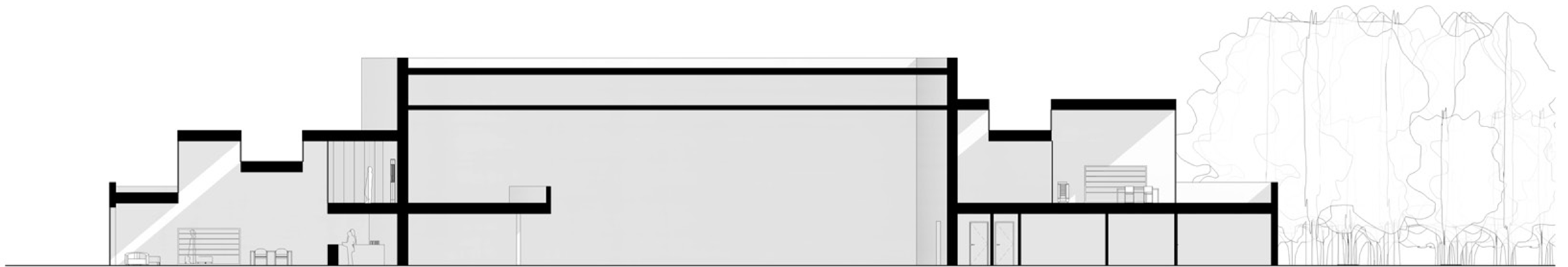


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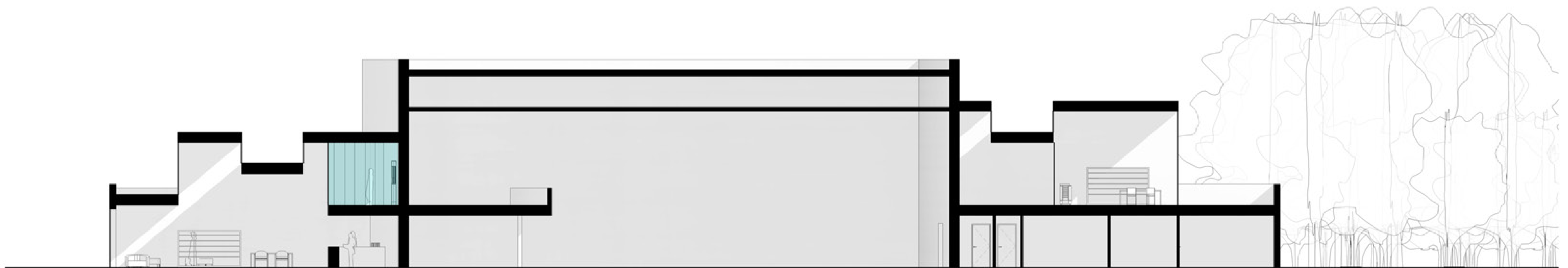
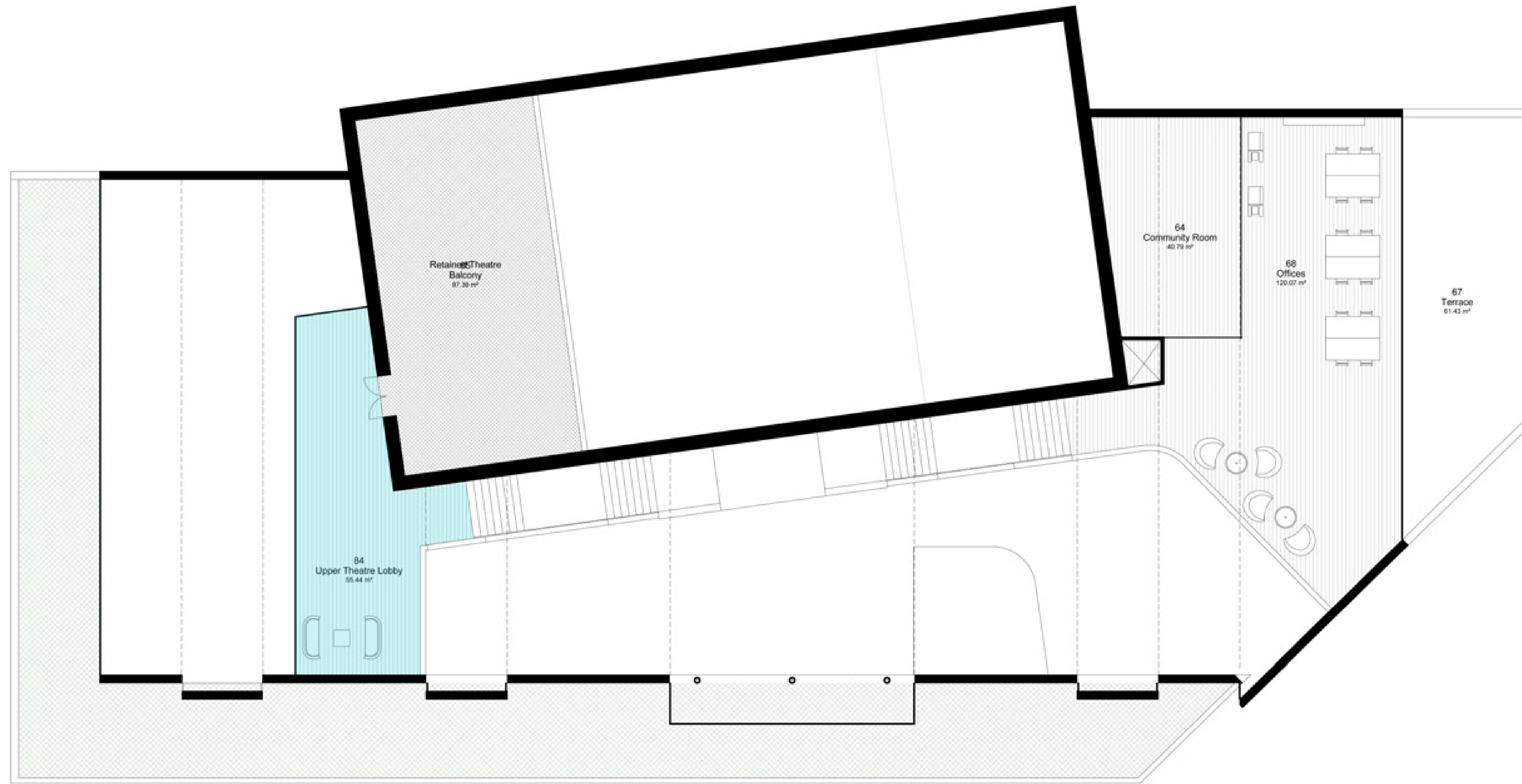




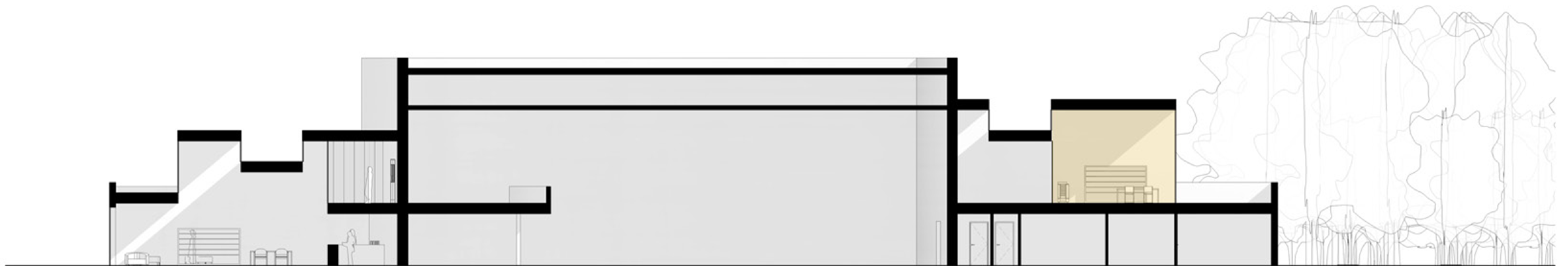
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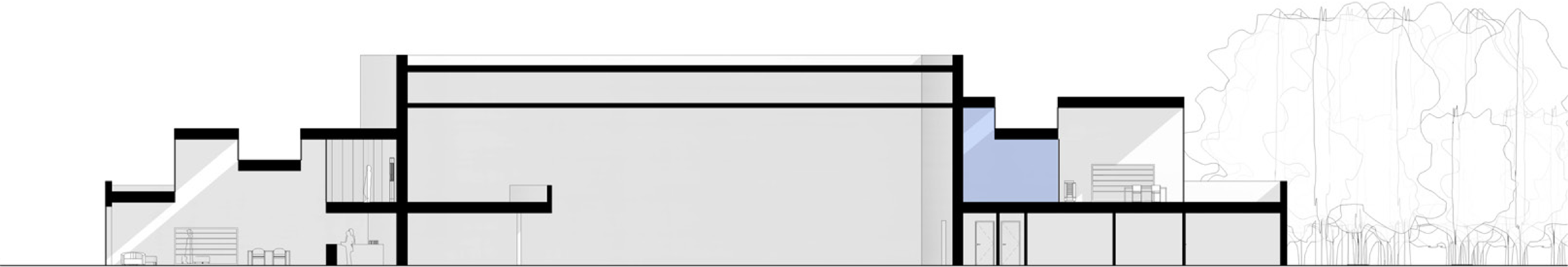
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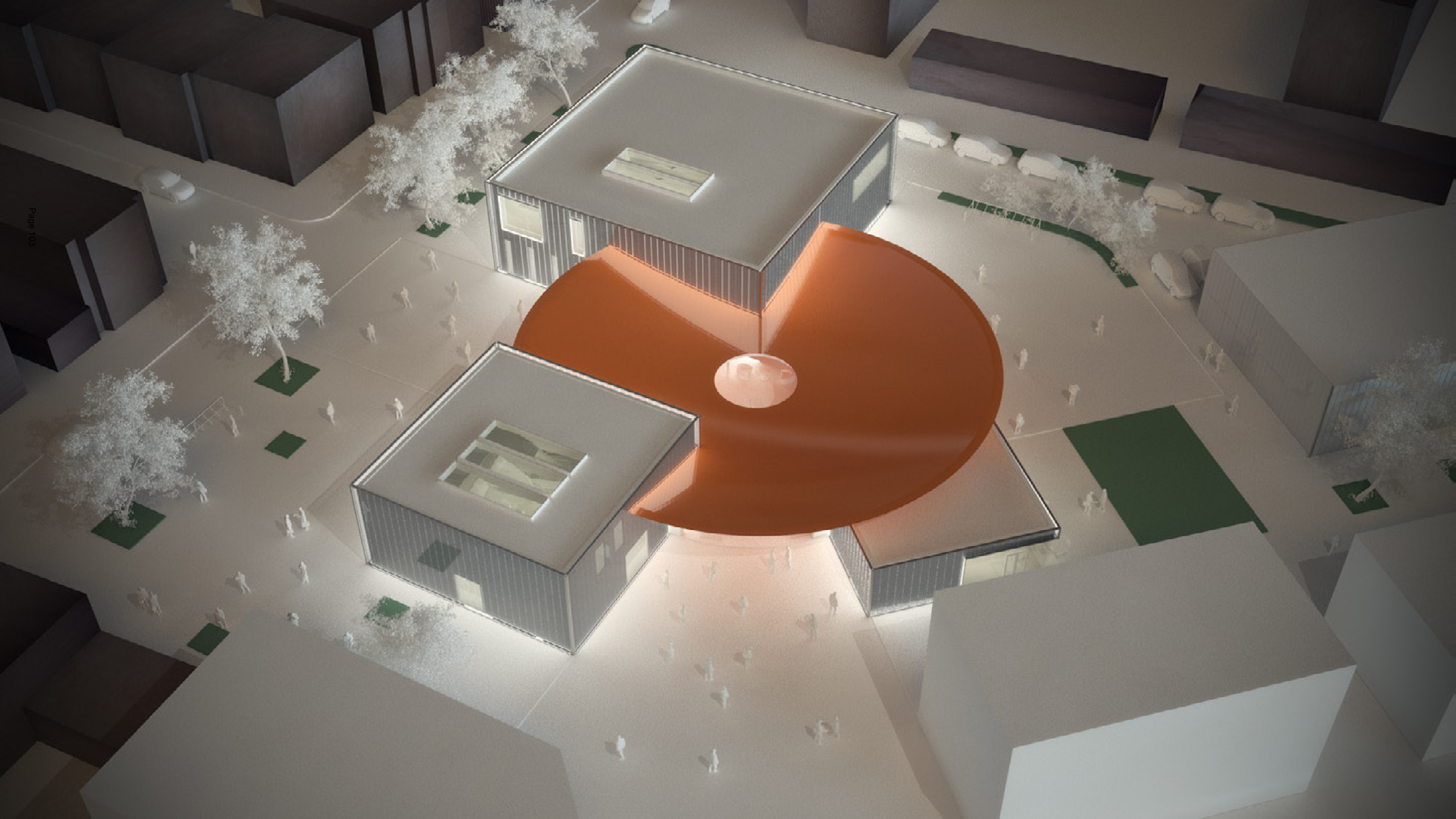


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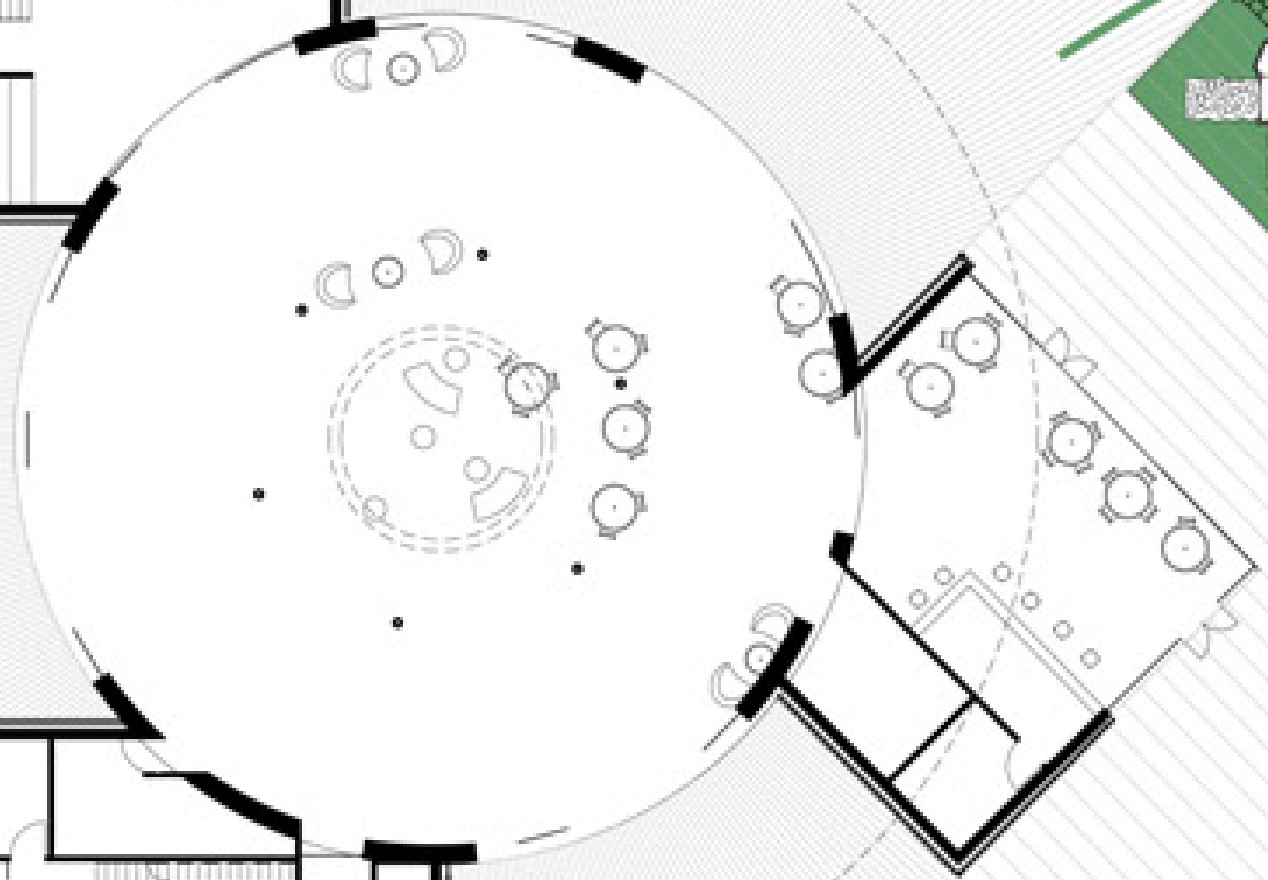
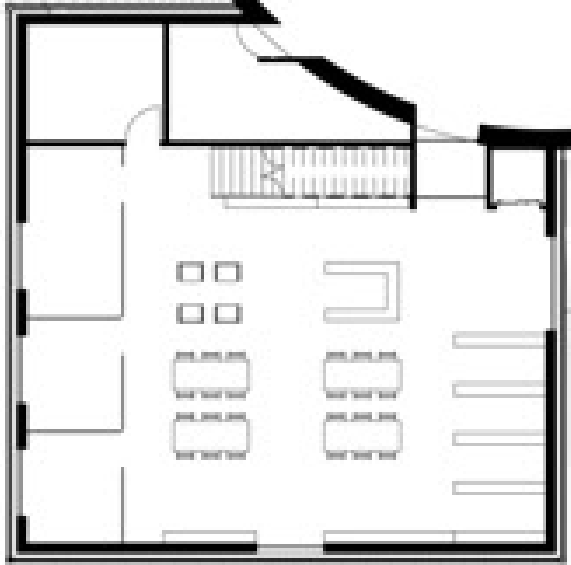


OPTION 2

New Build Solution



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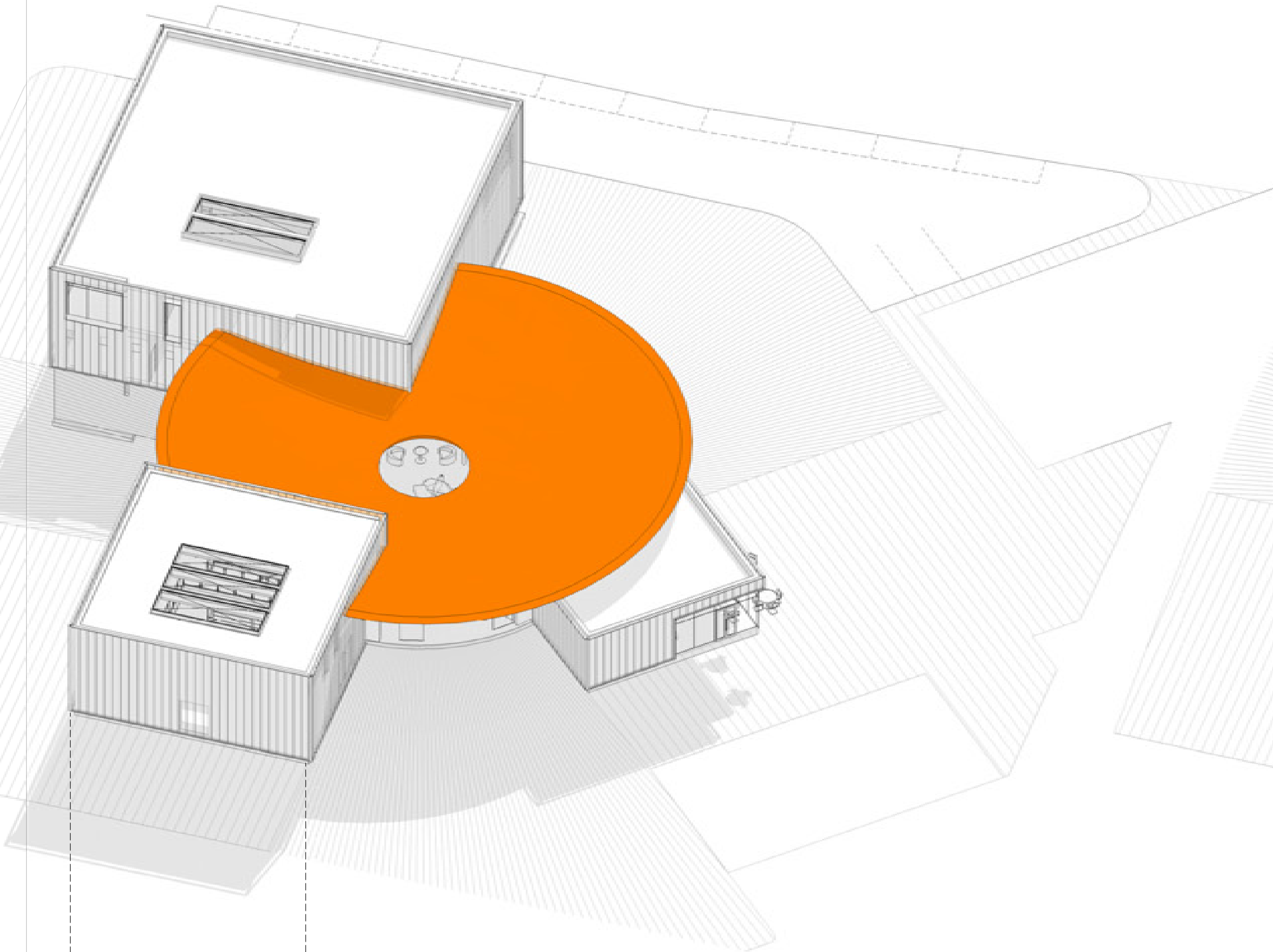
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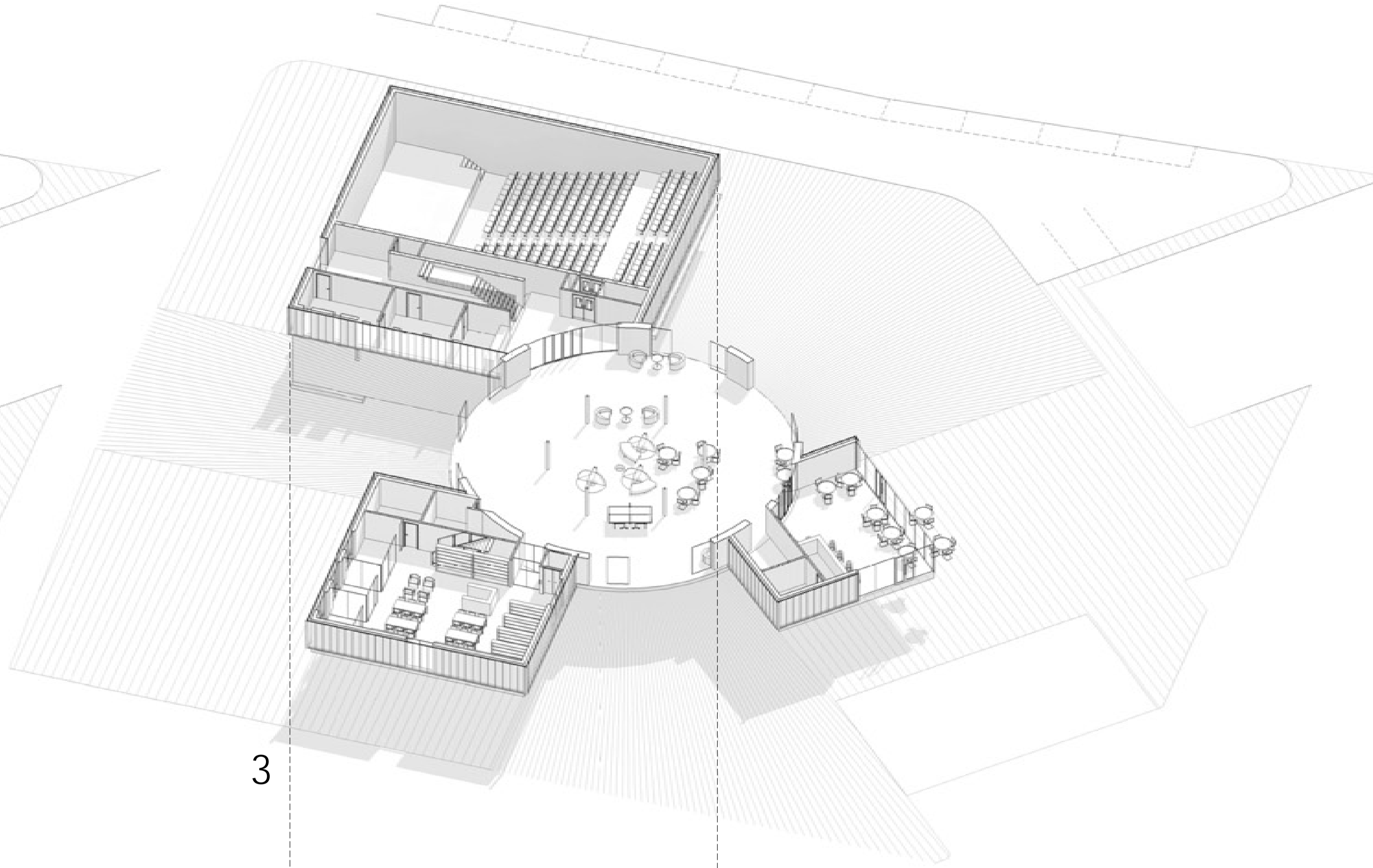
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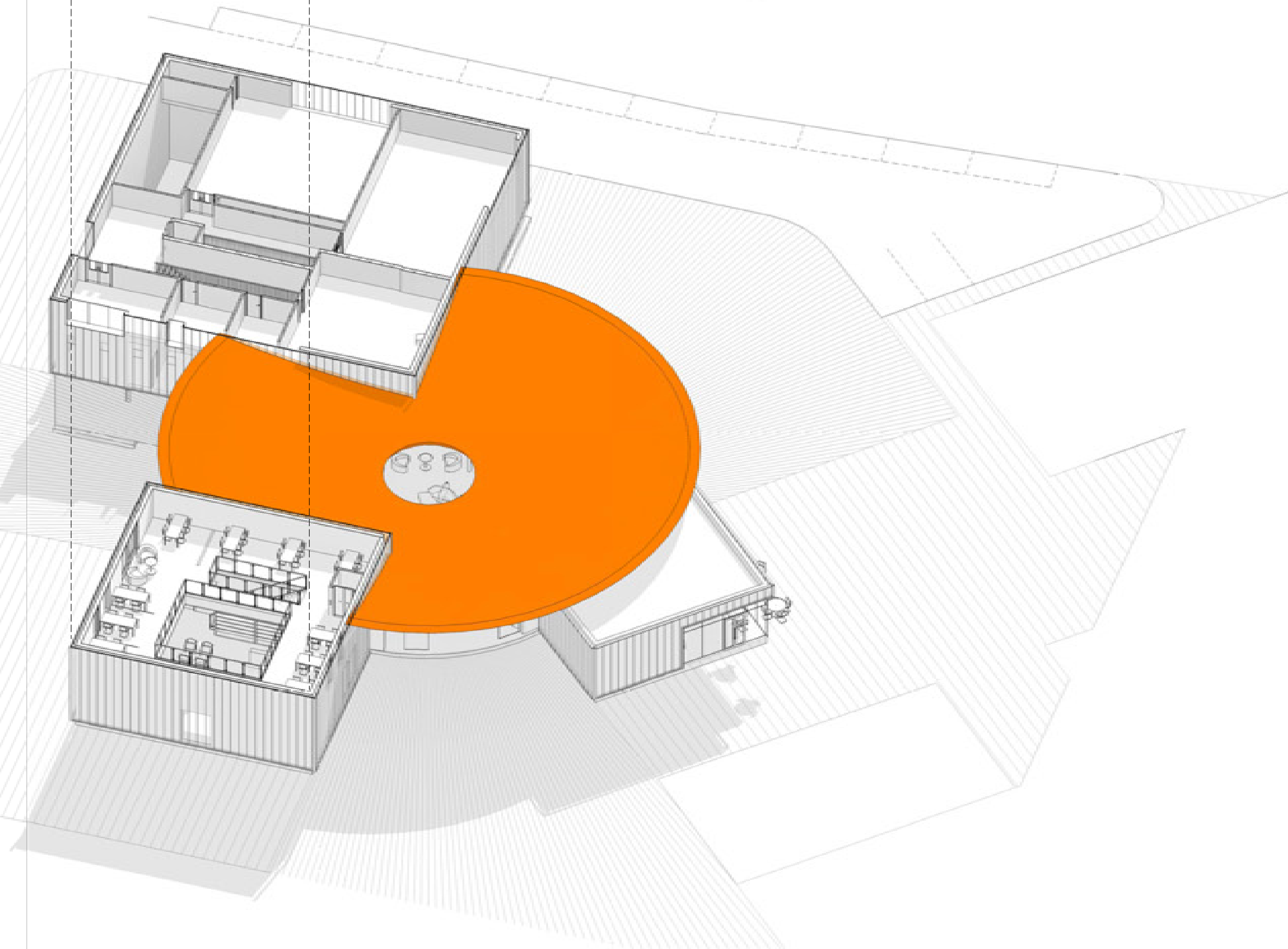
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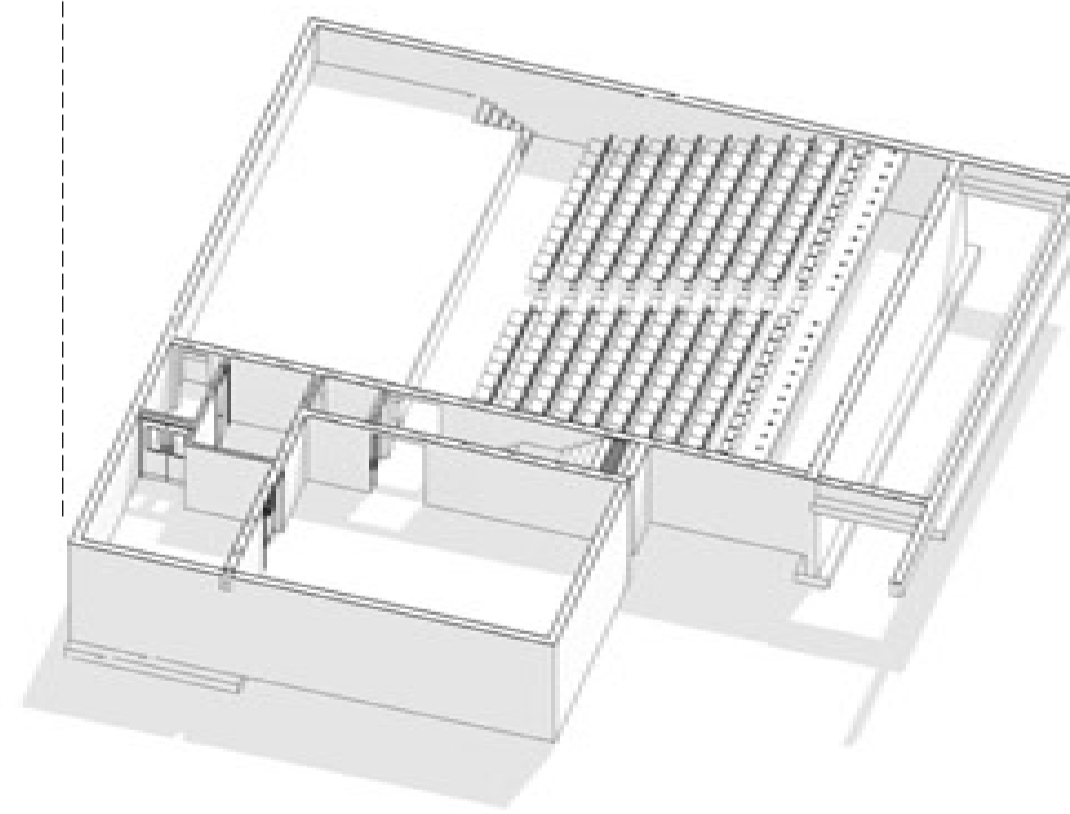
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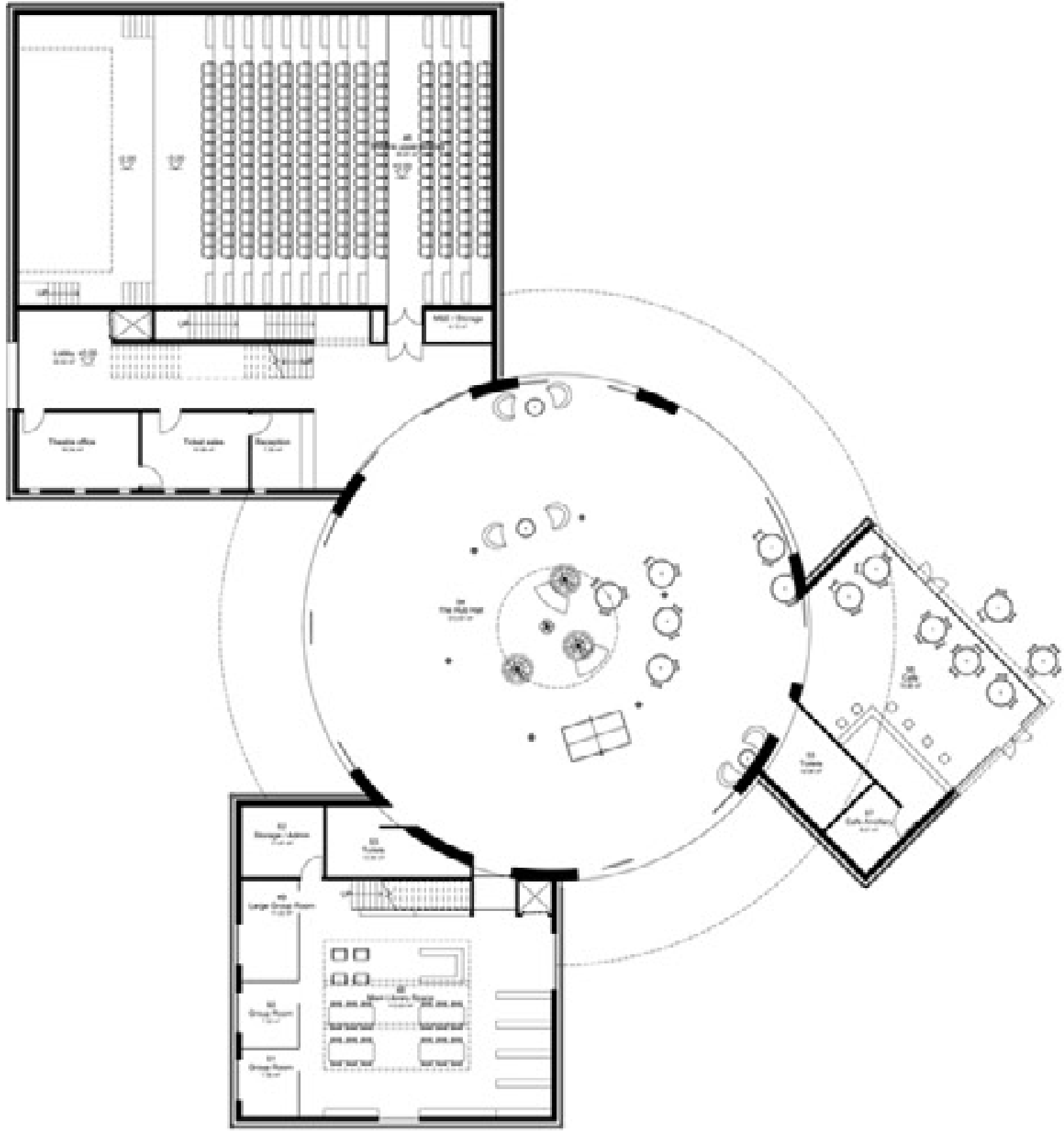


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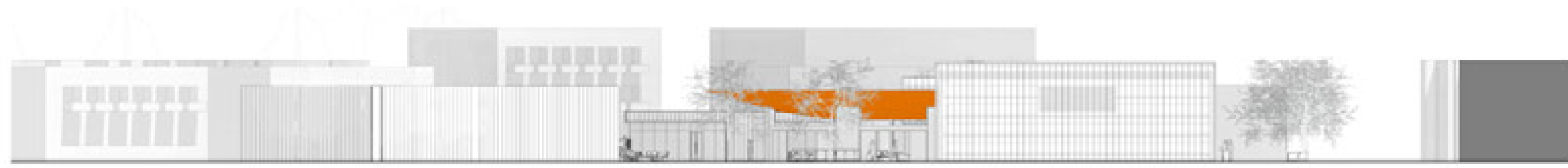


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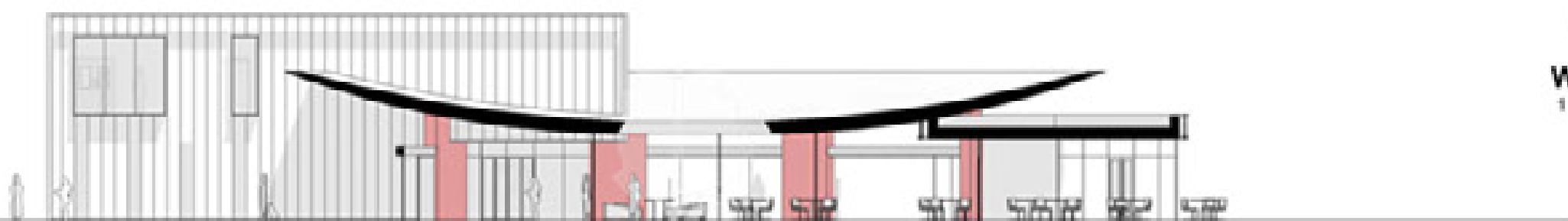
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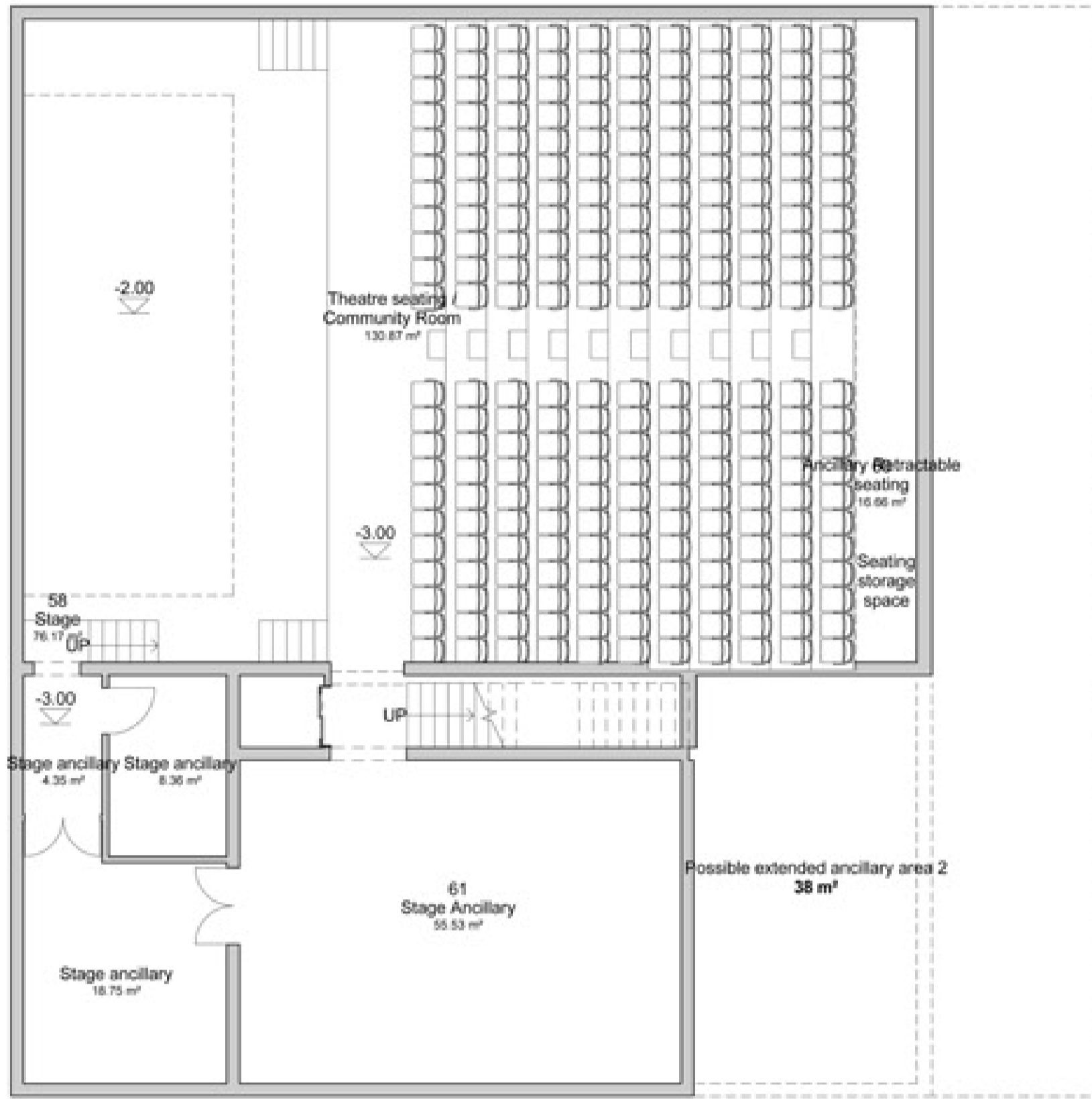
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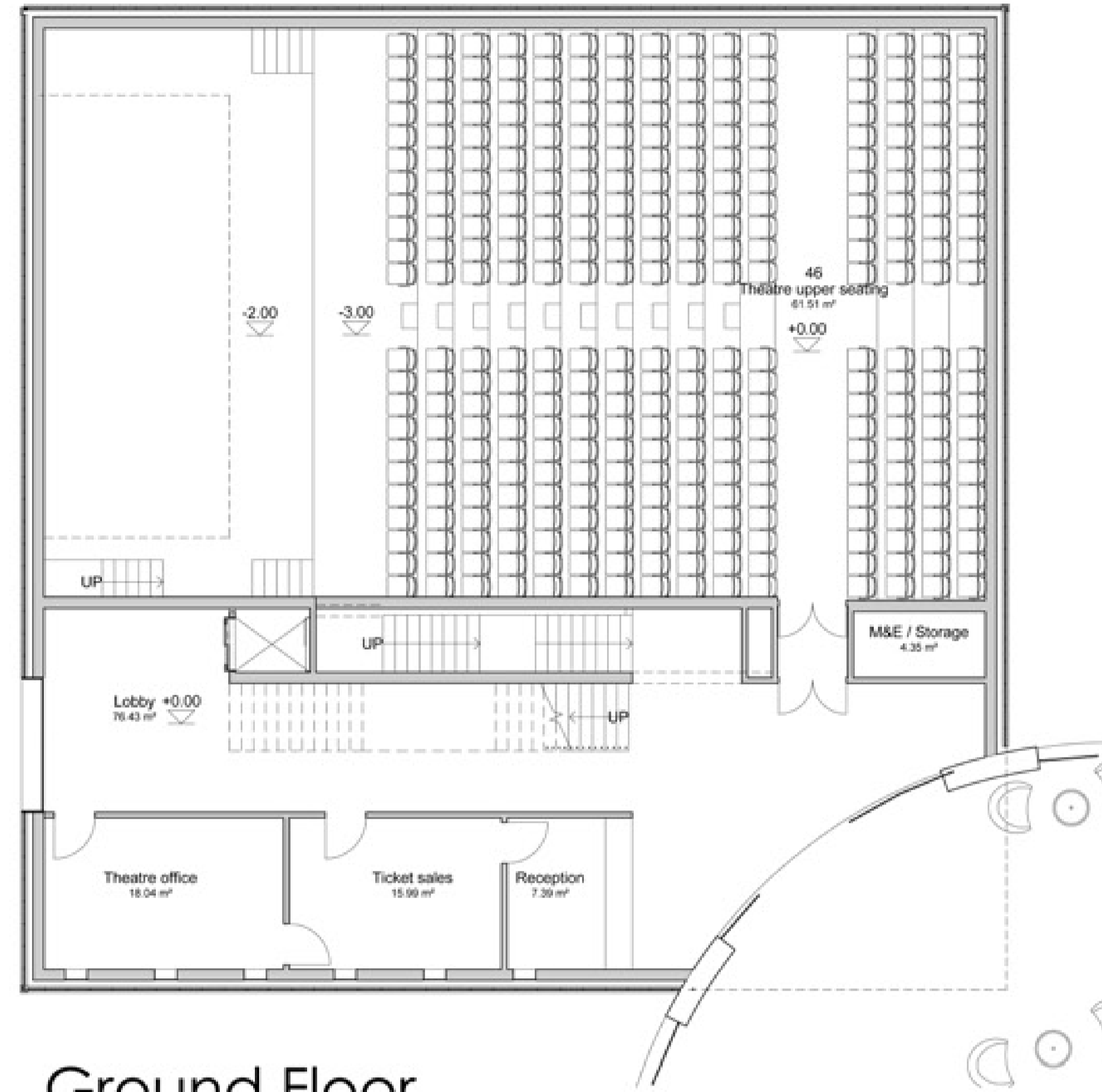
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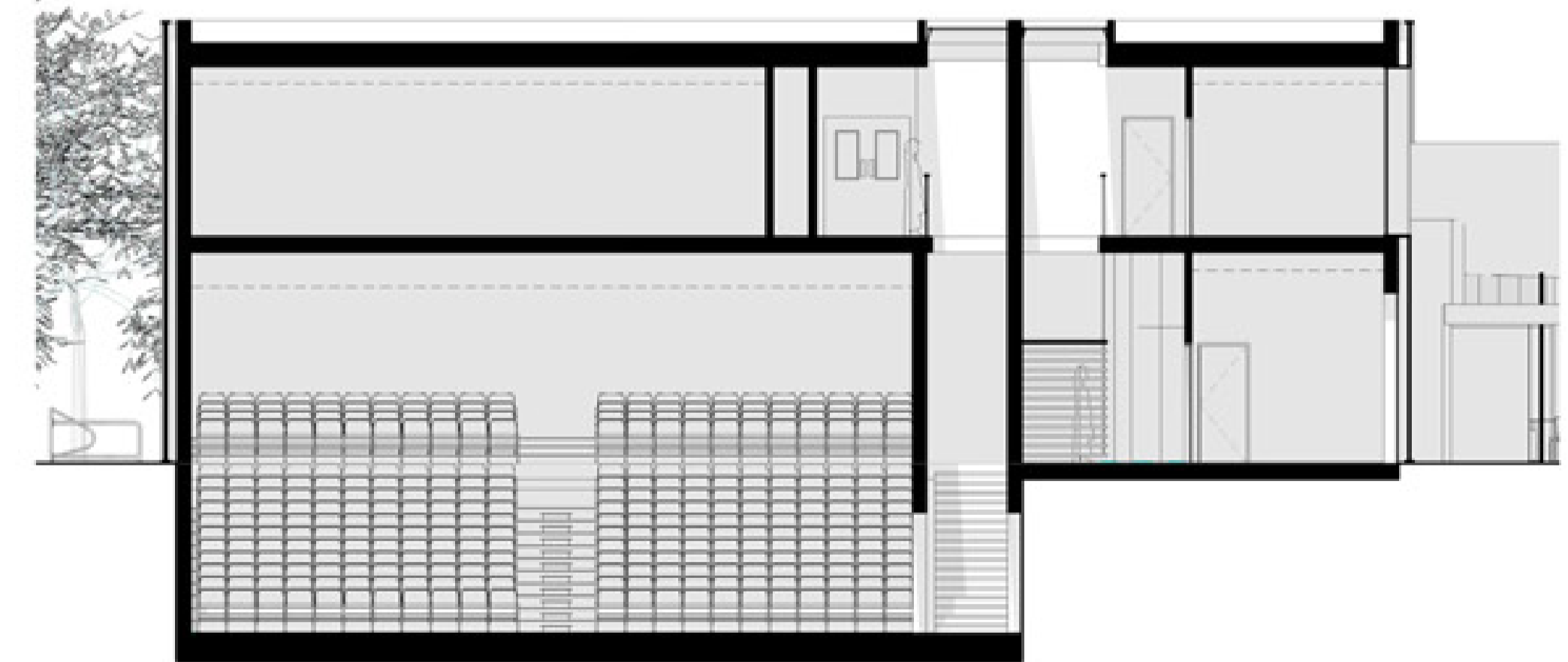
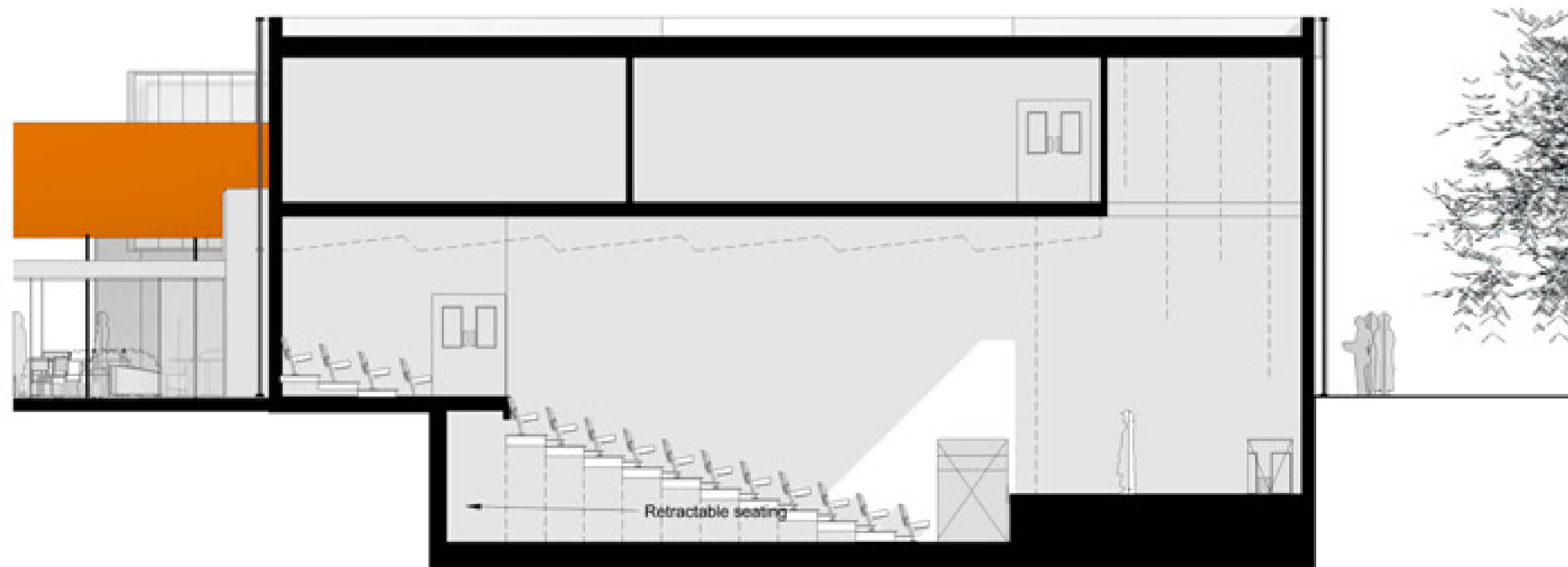
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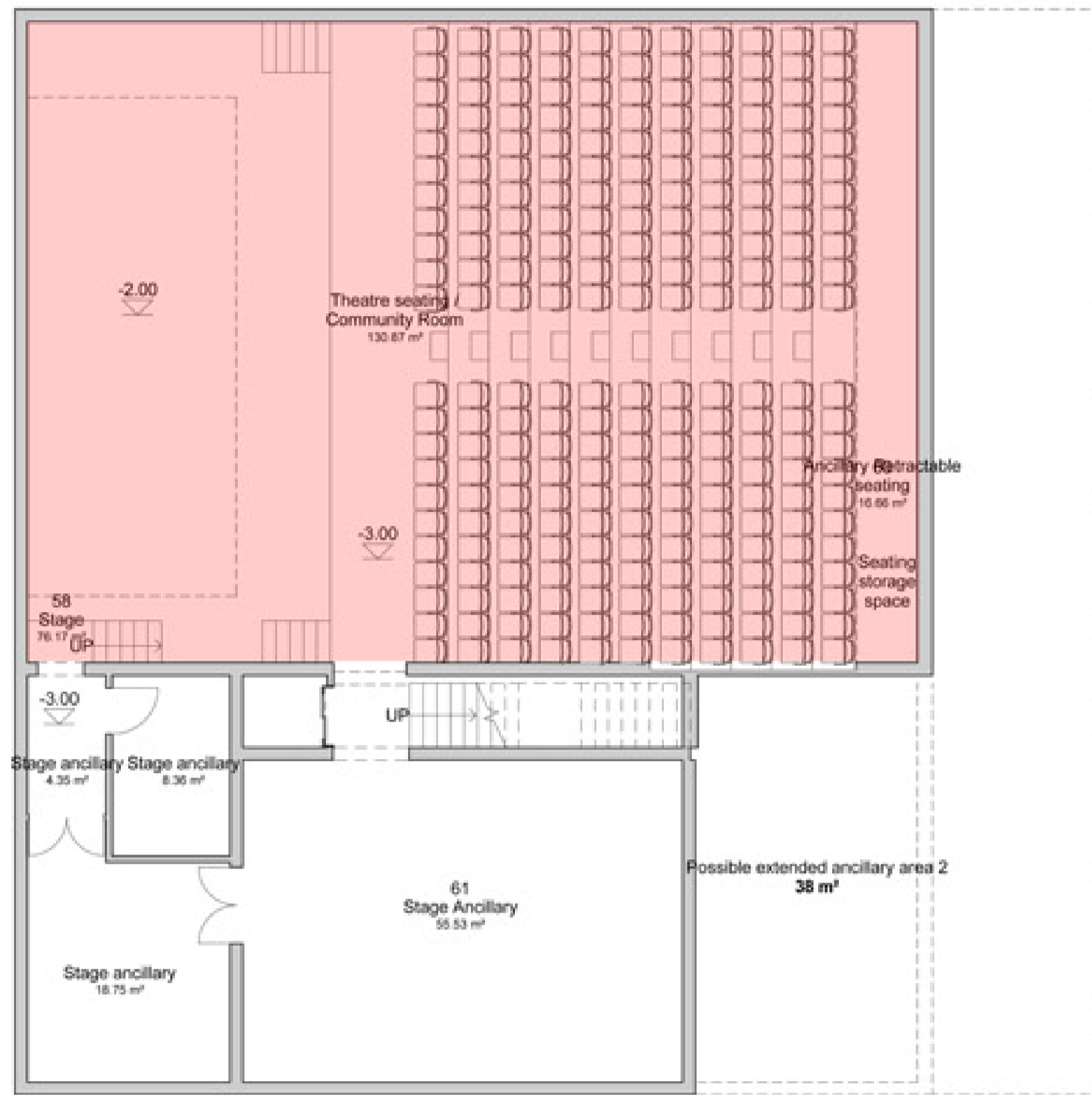
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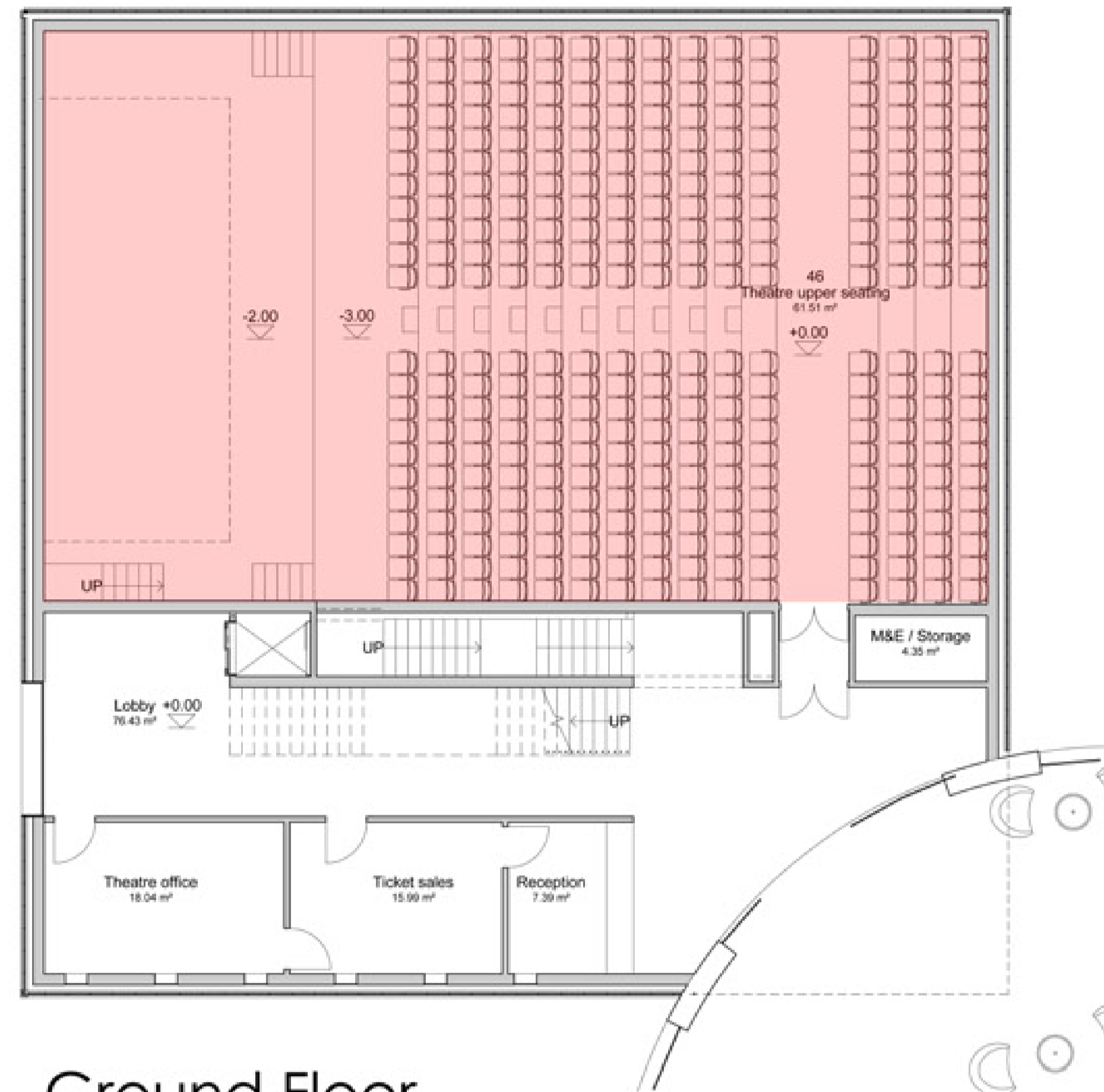
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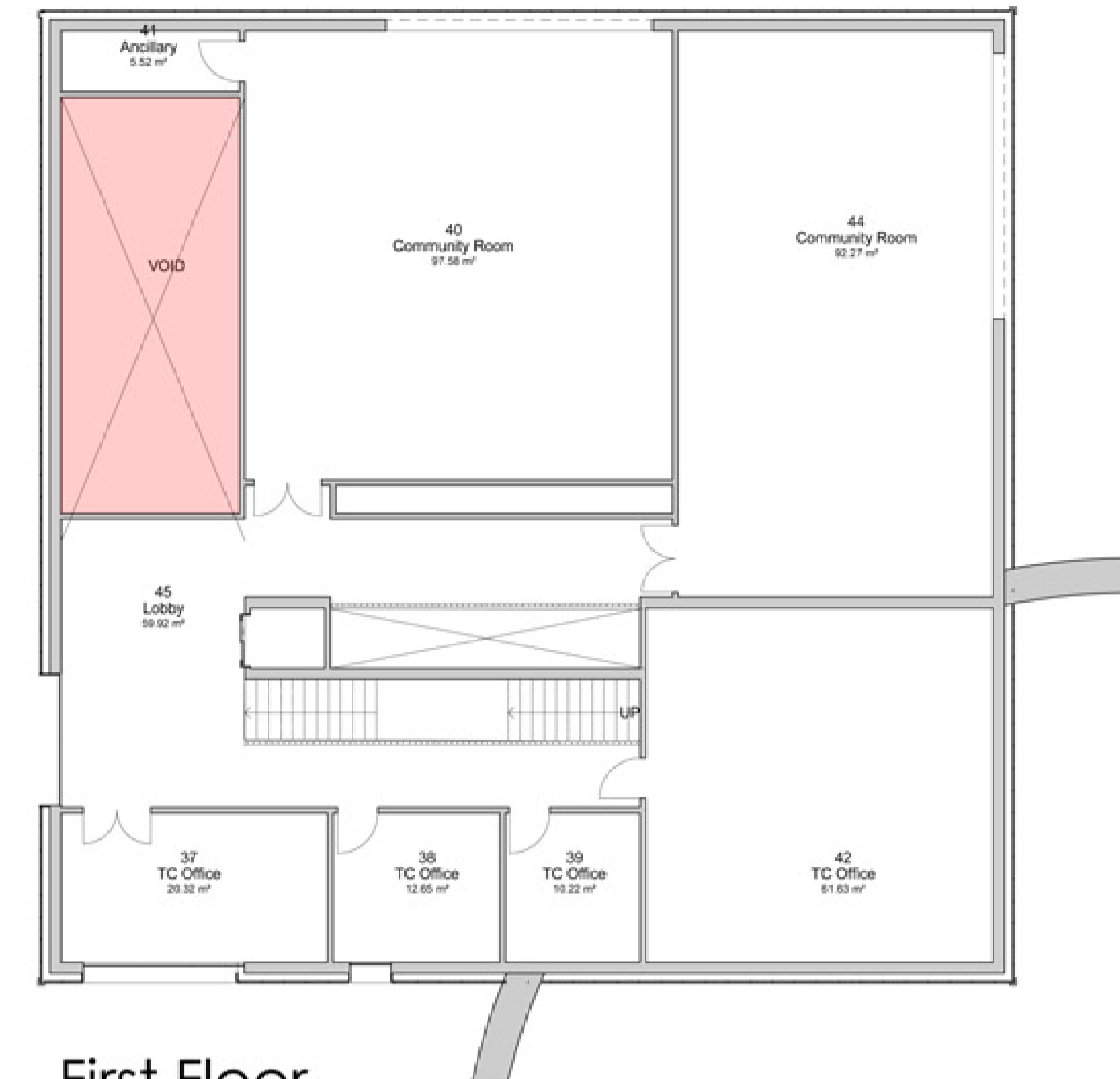
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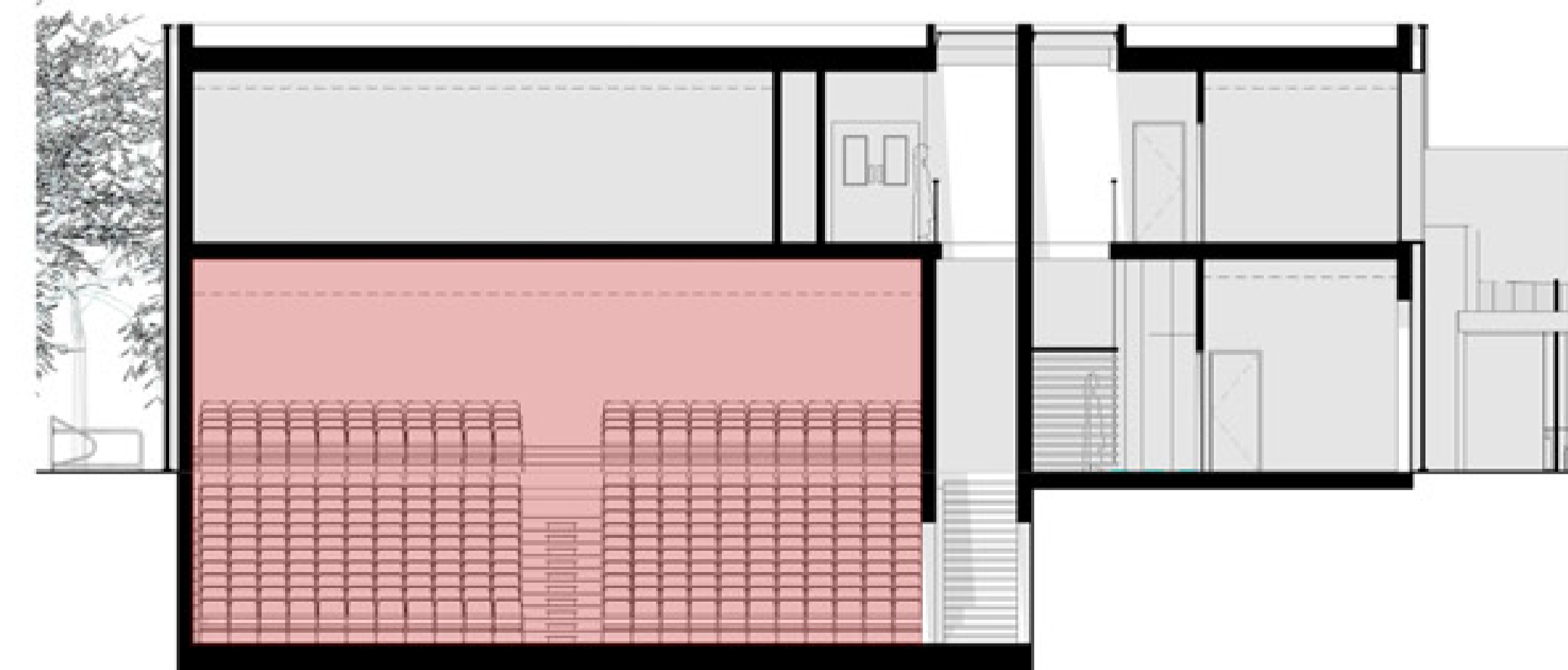
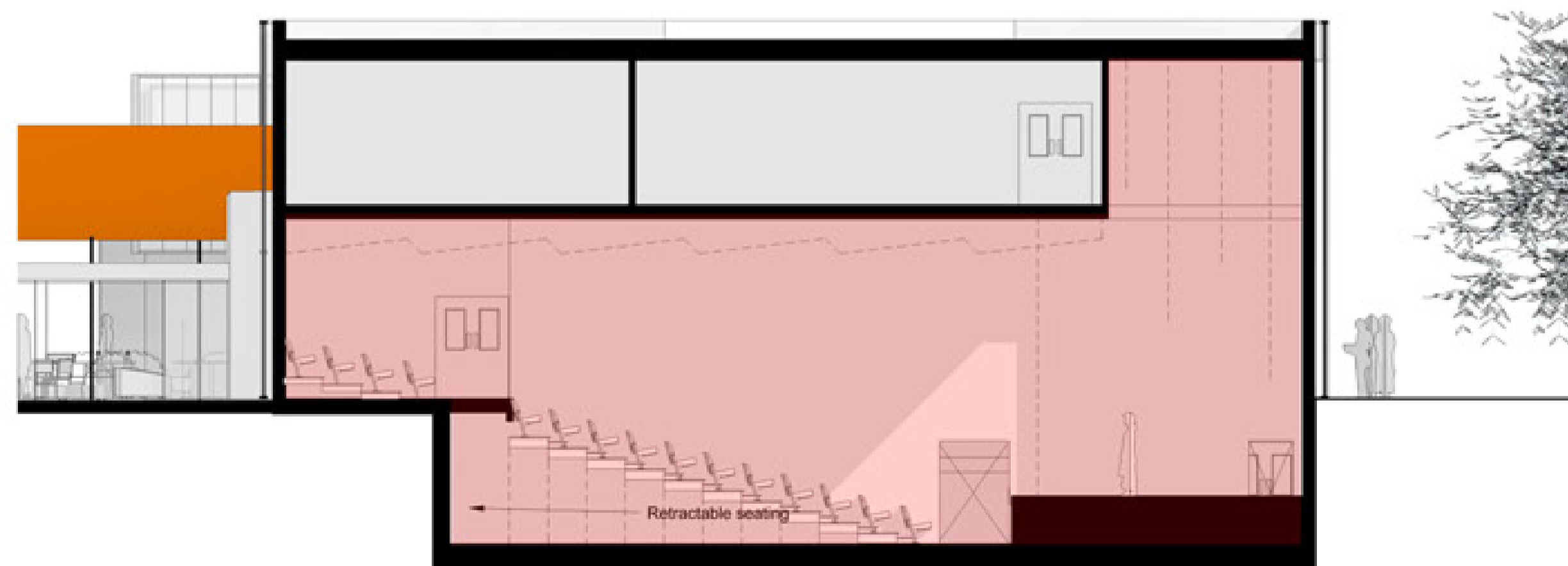
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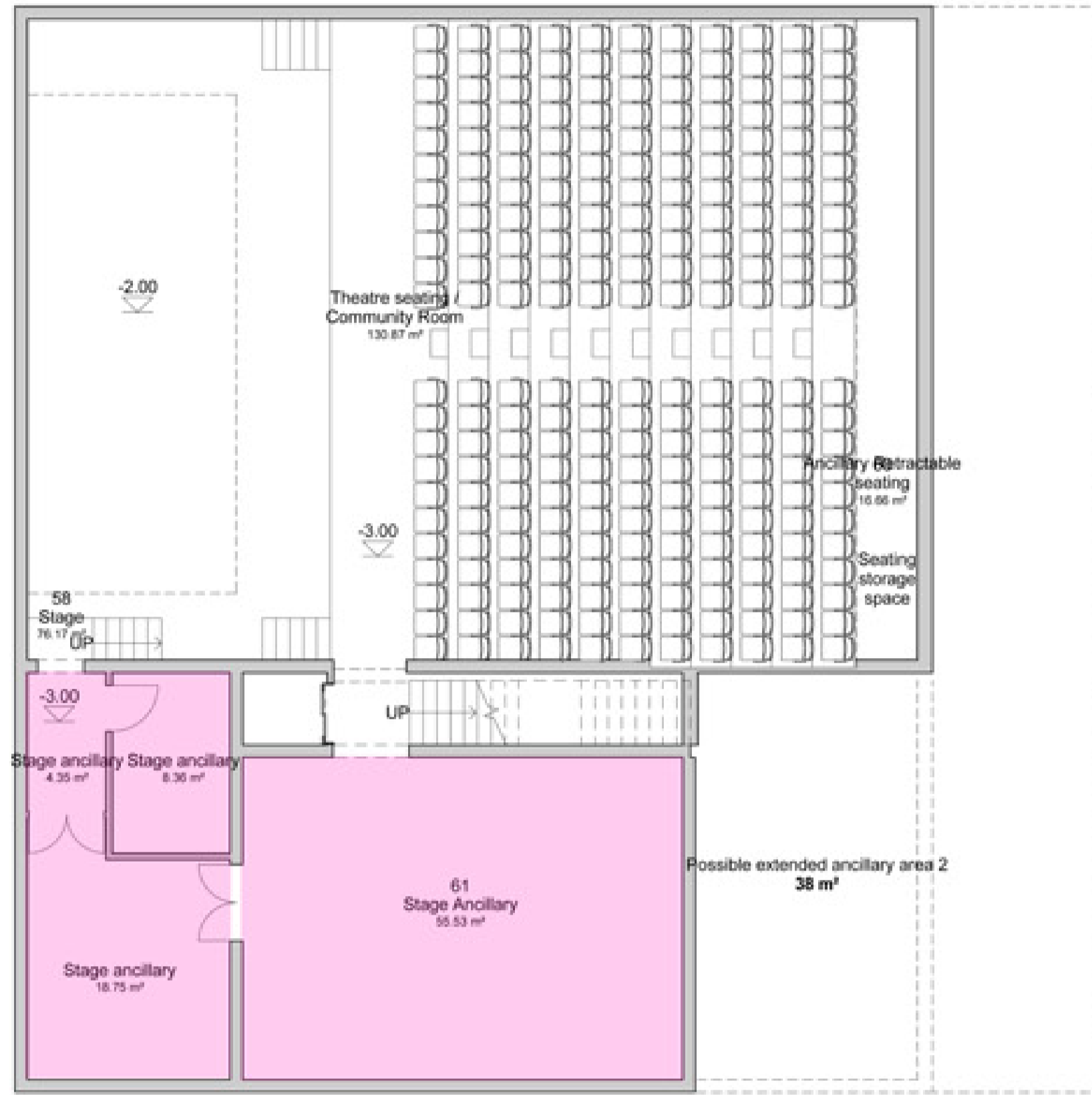
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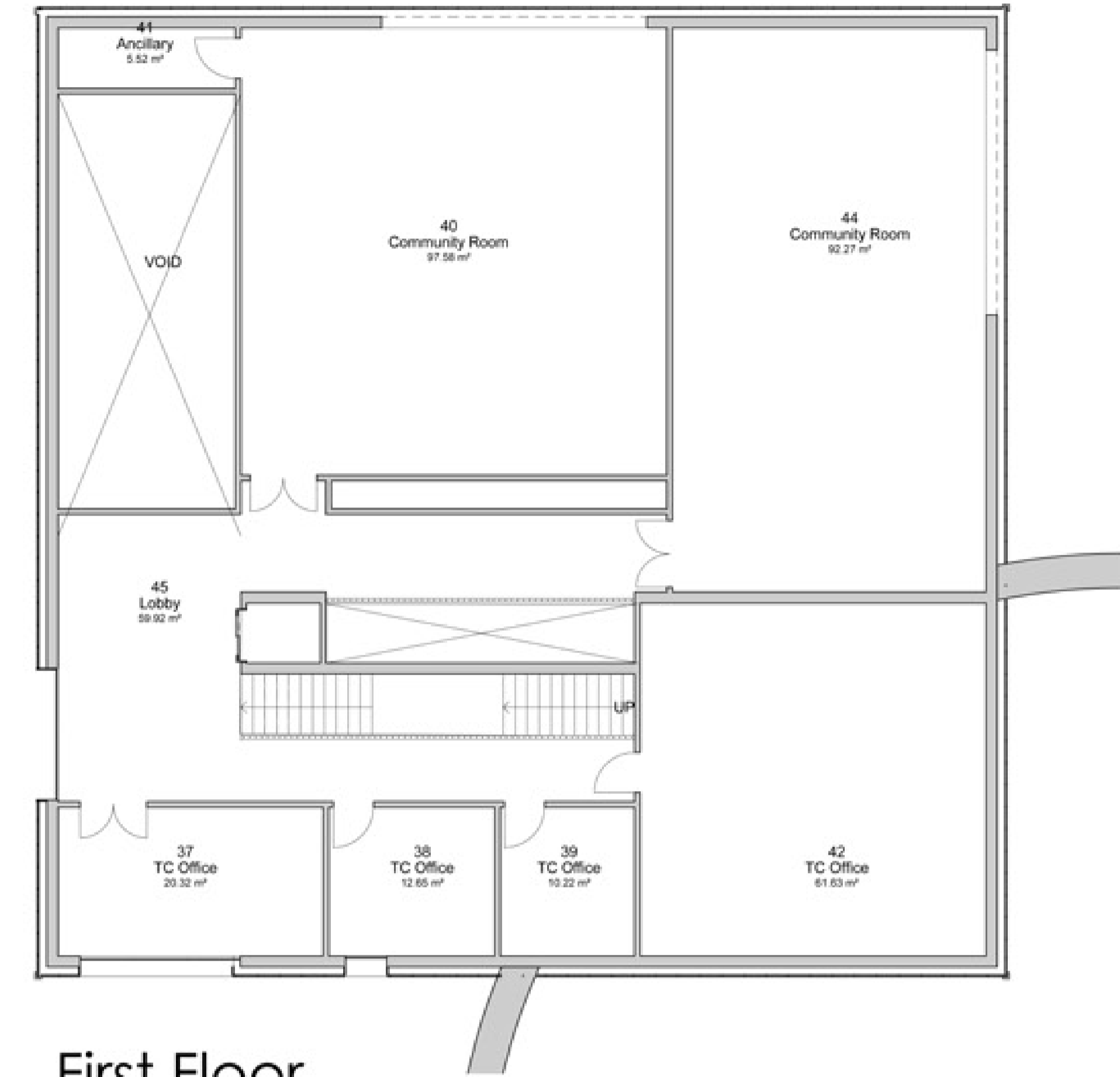
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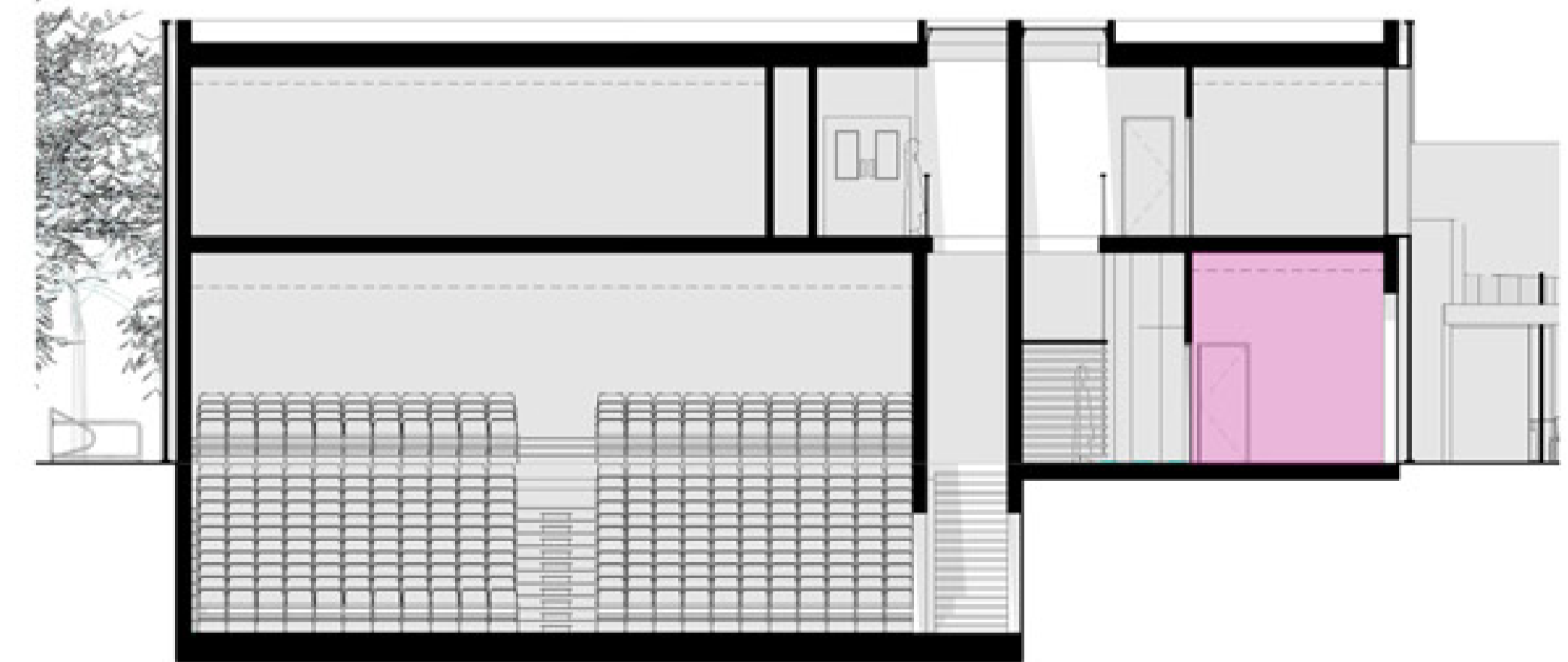
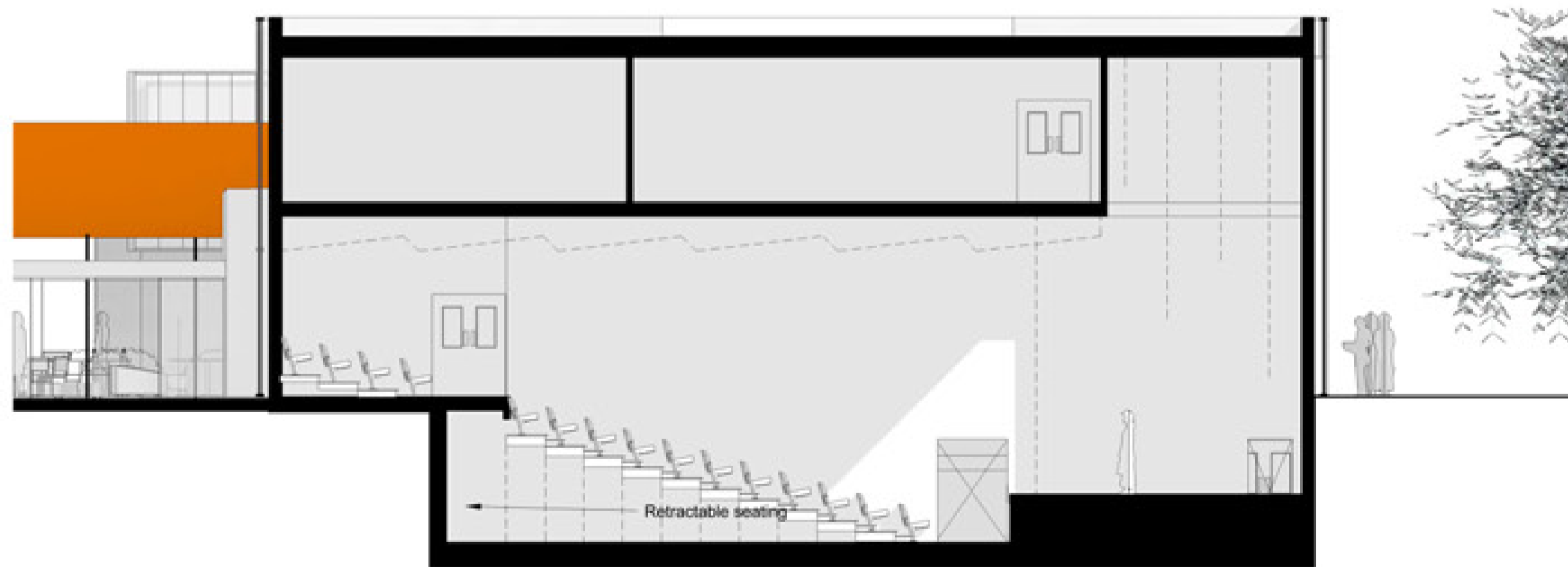
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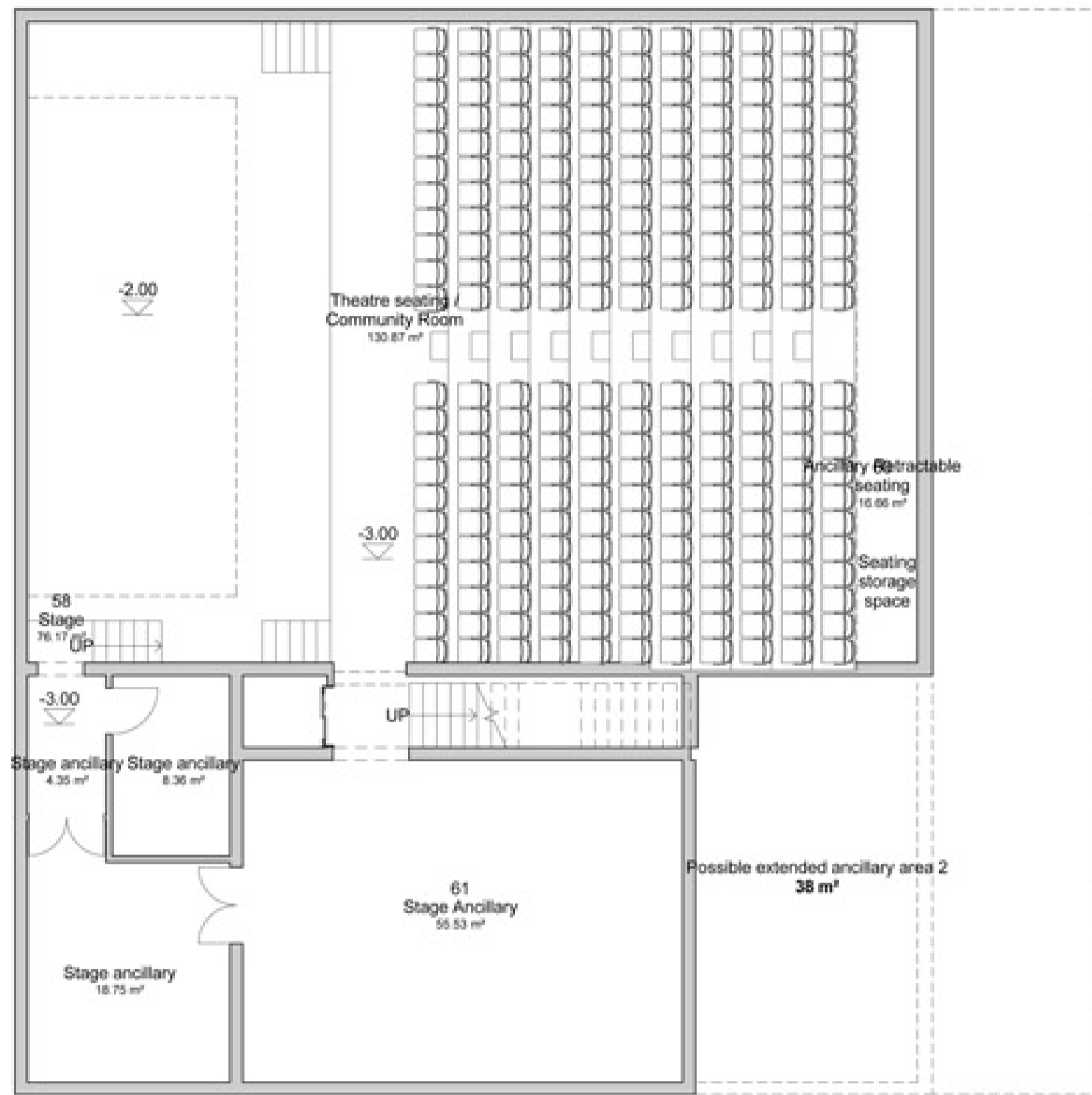
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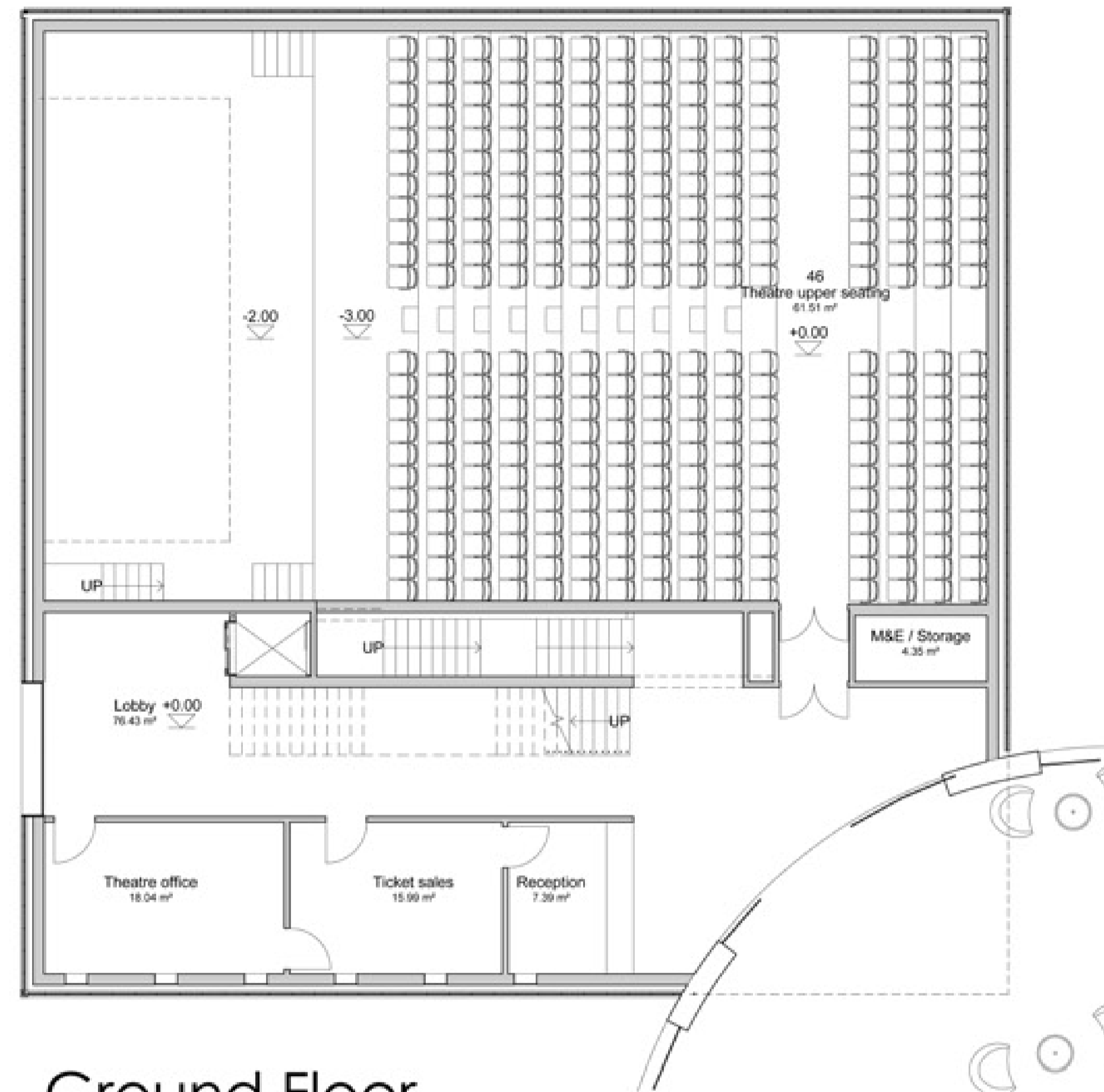
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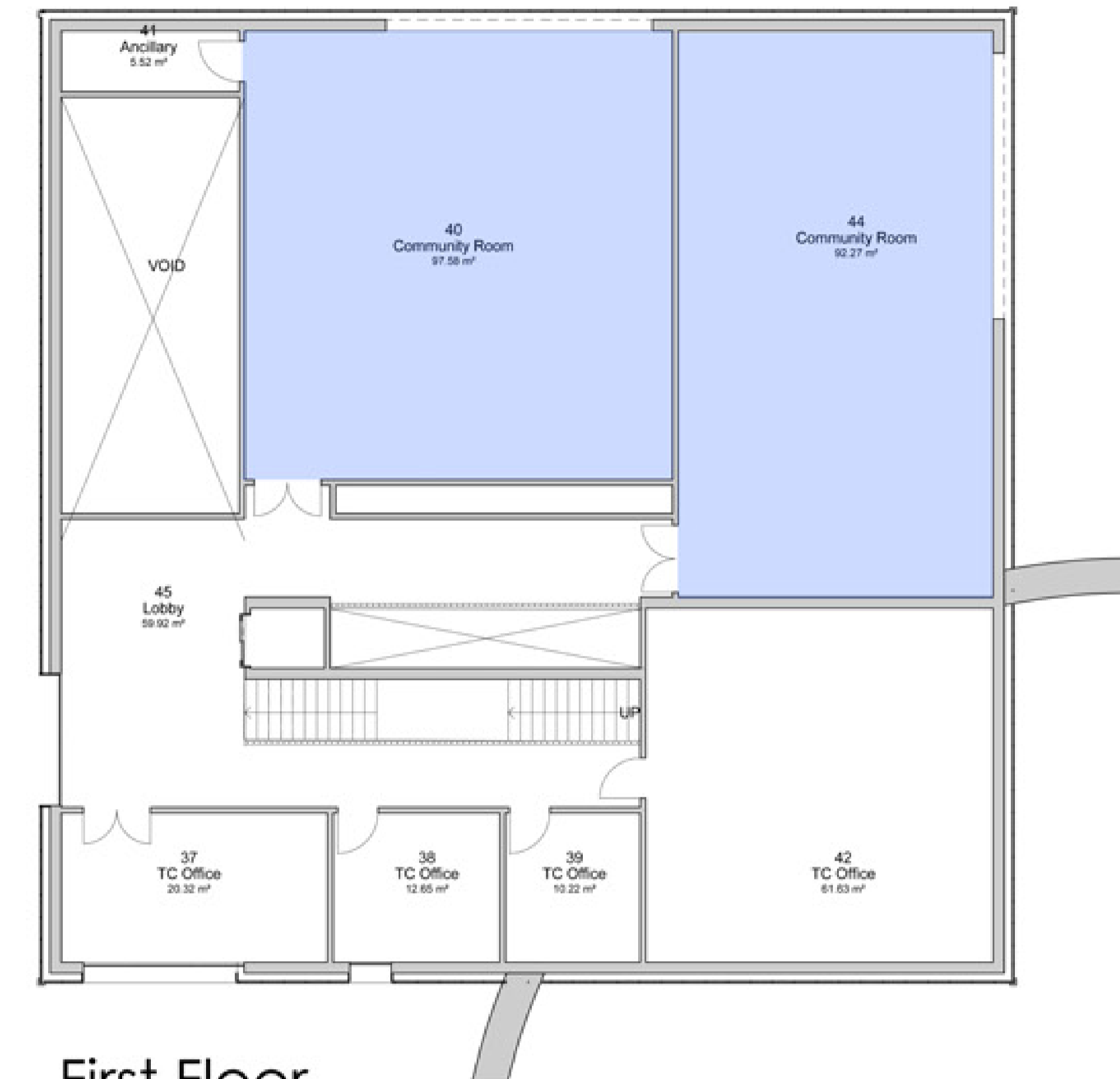
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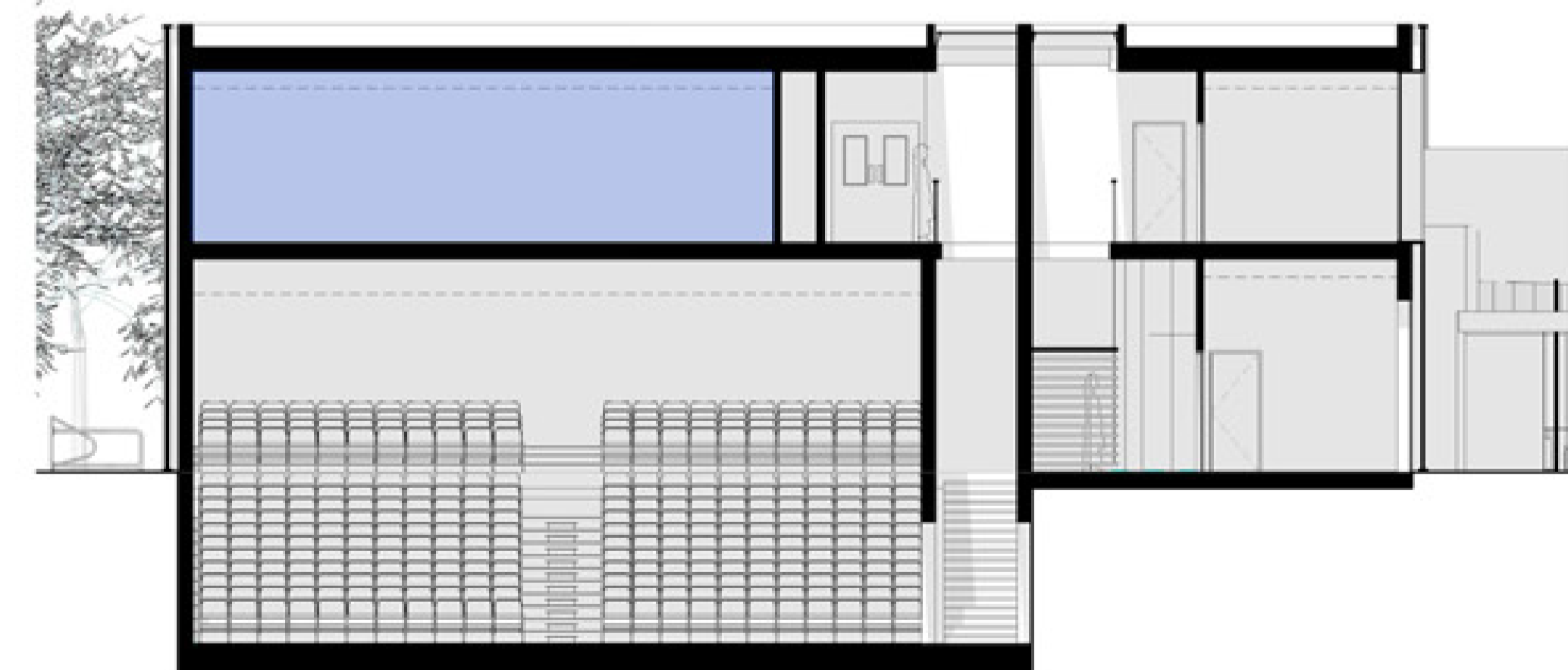
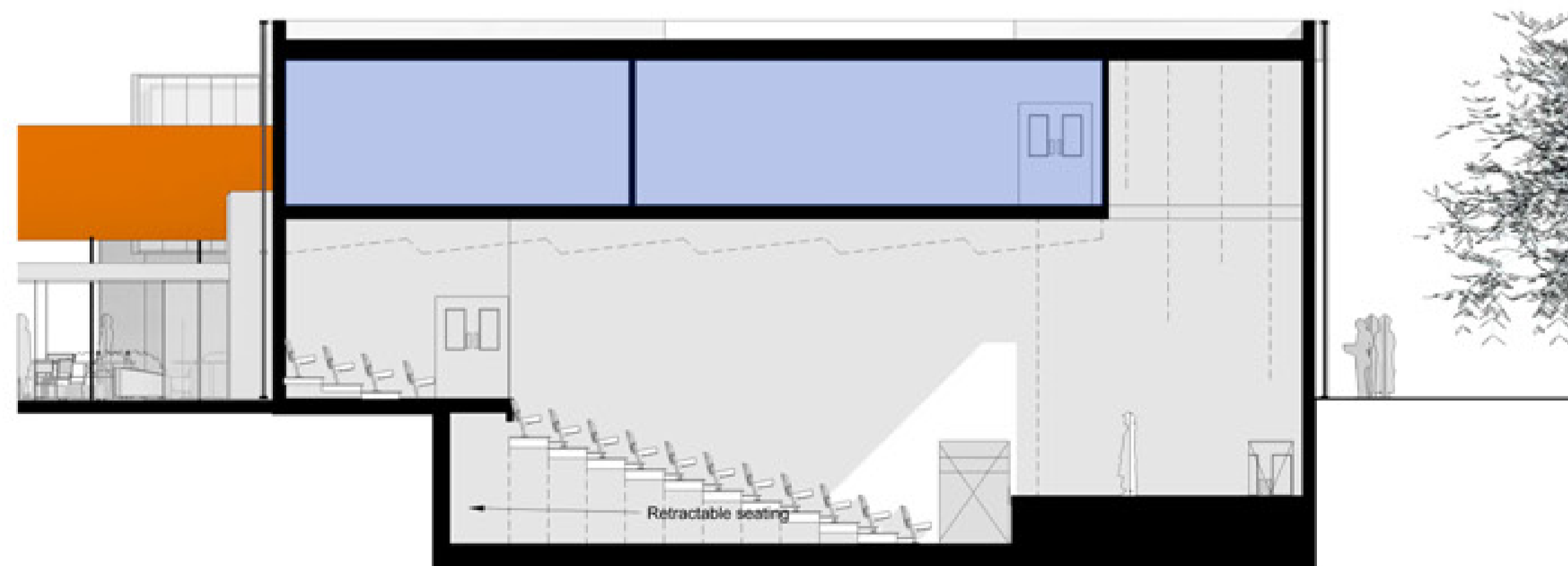
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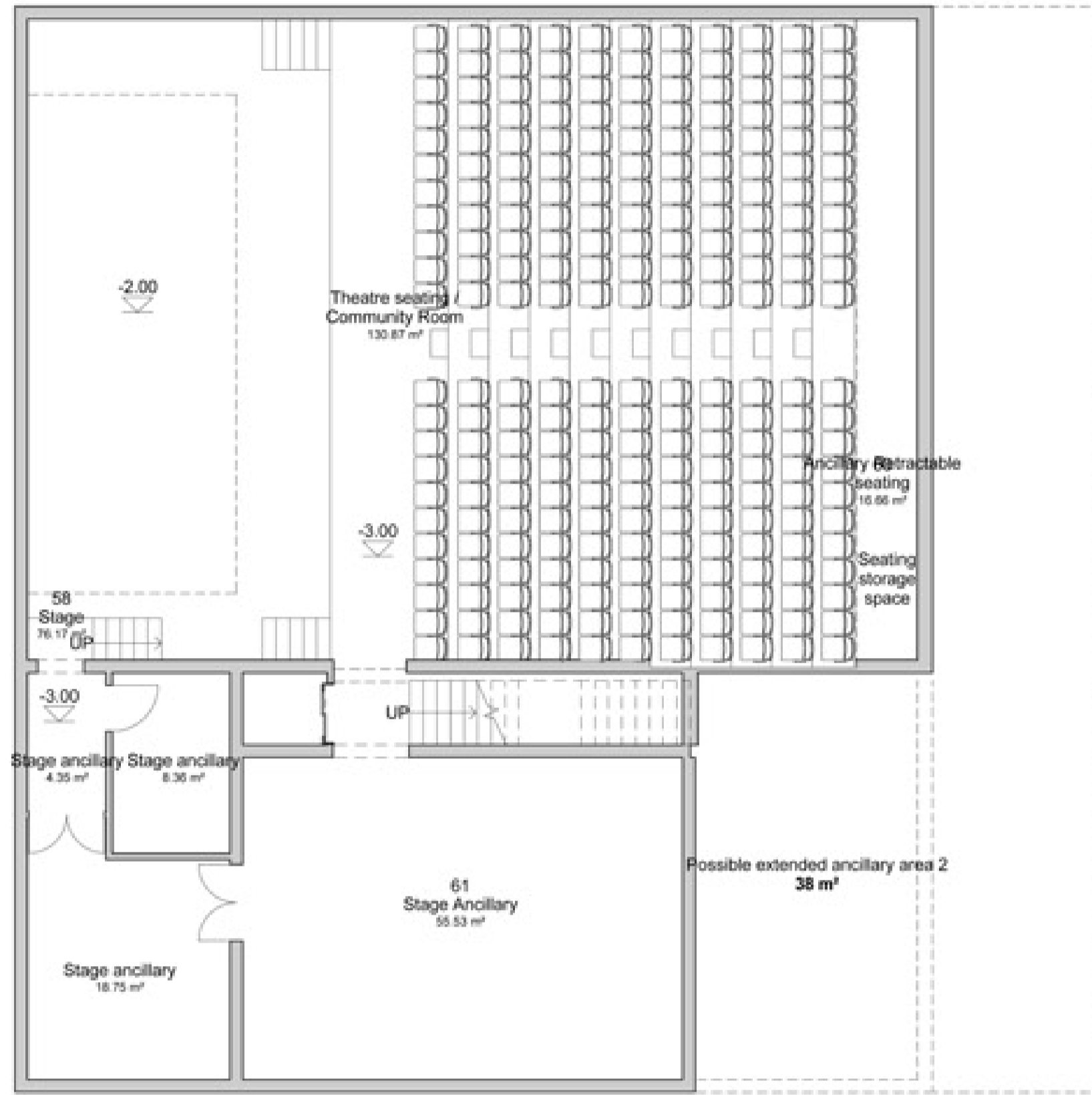
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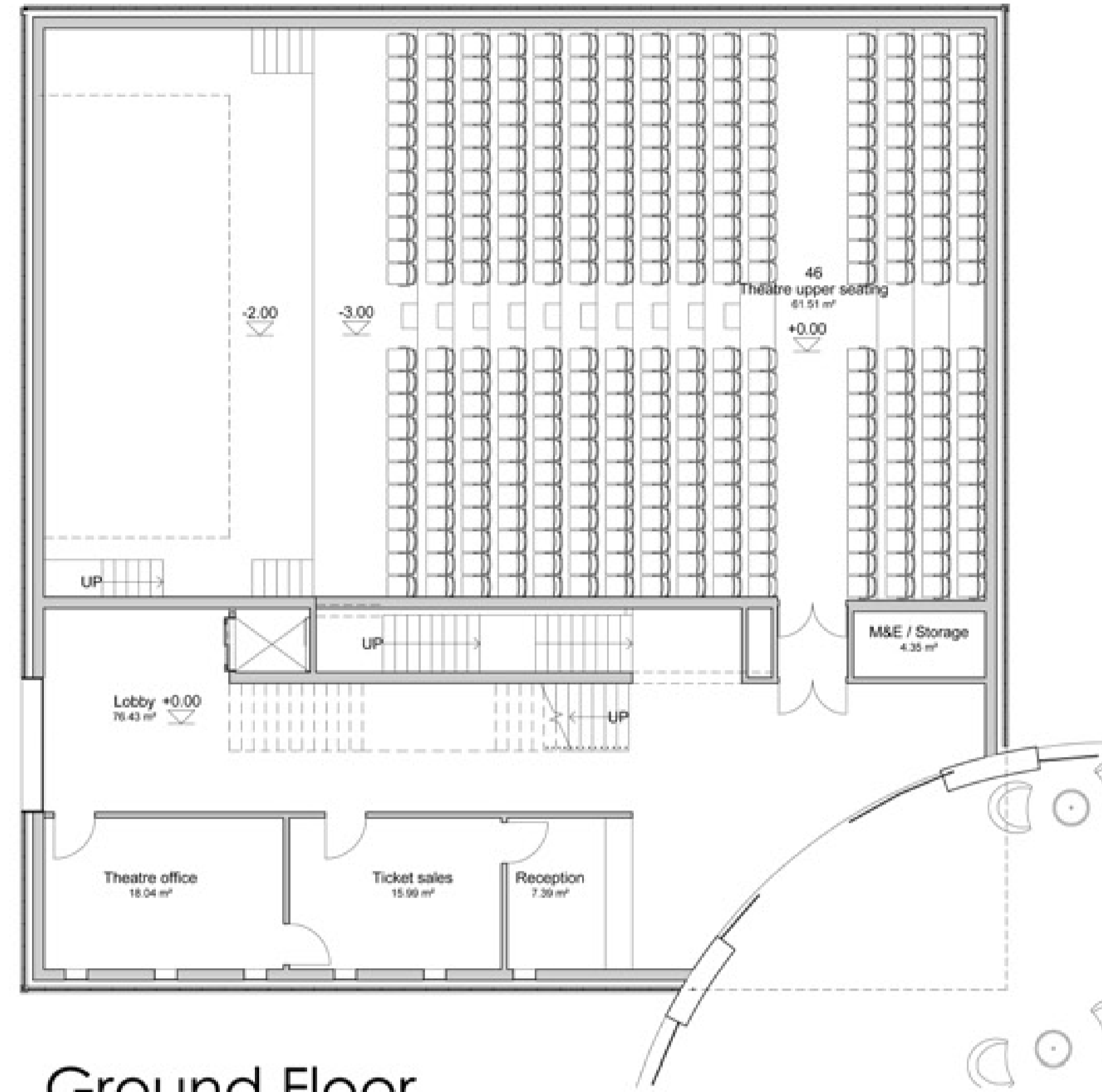
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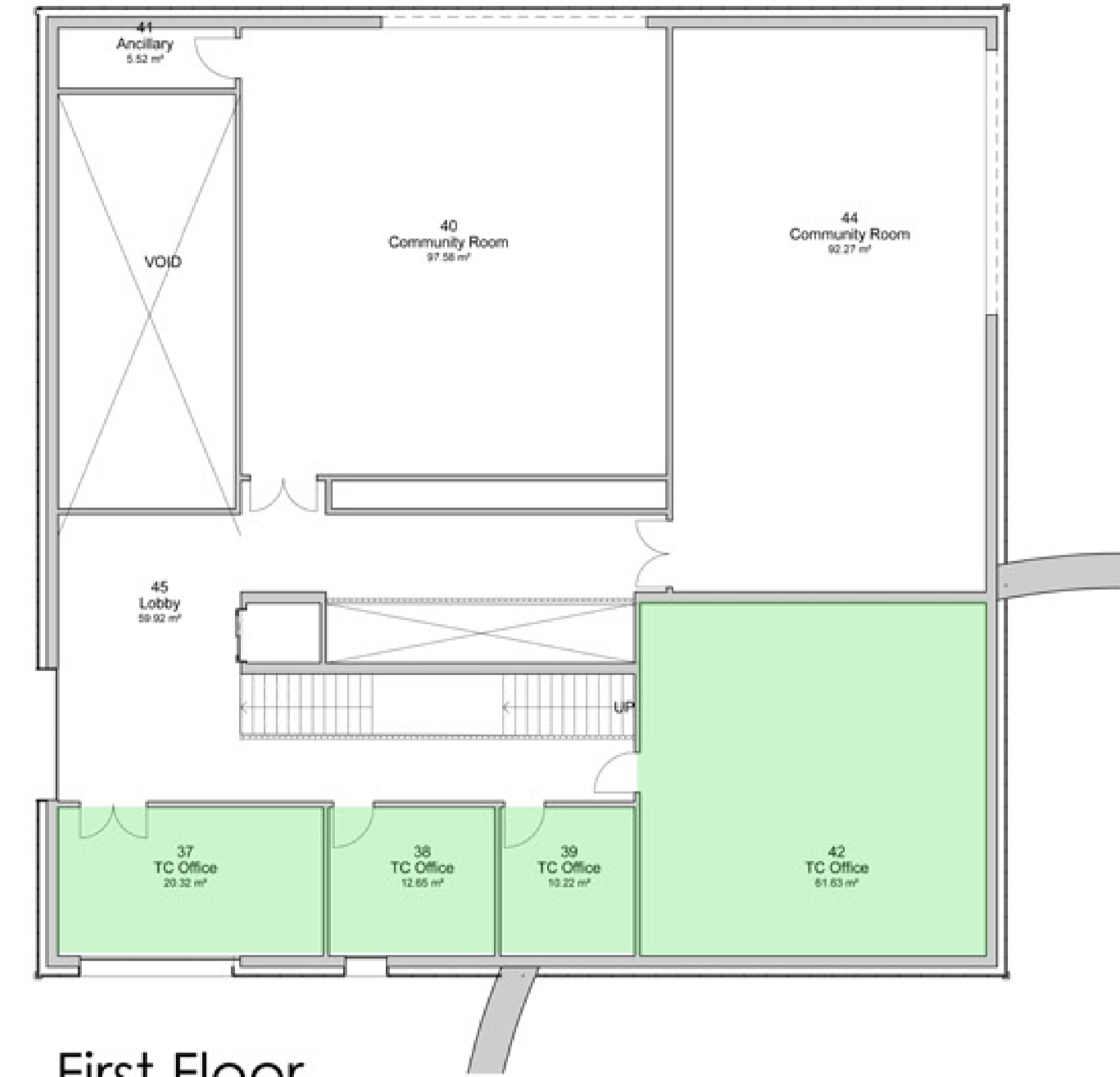
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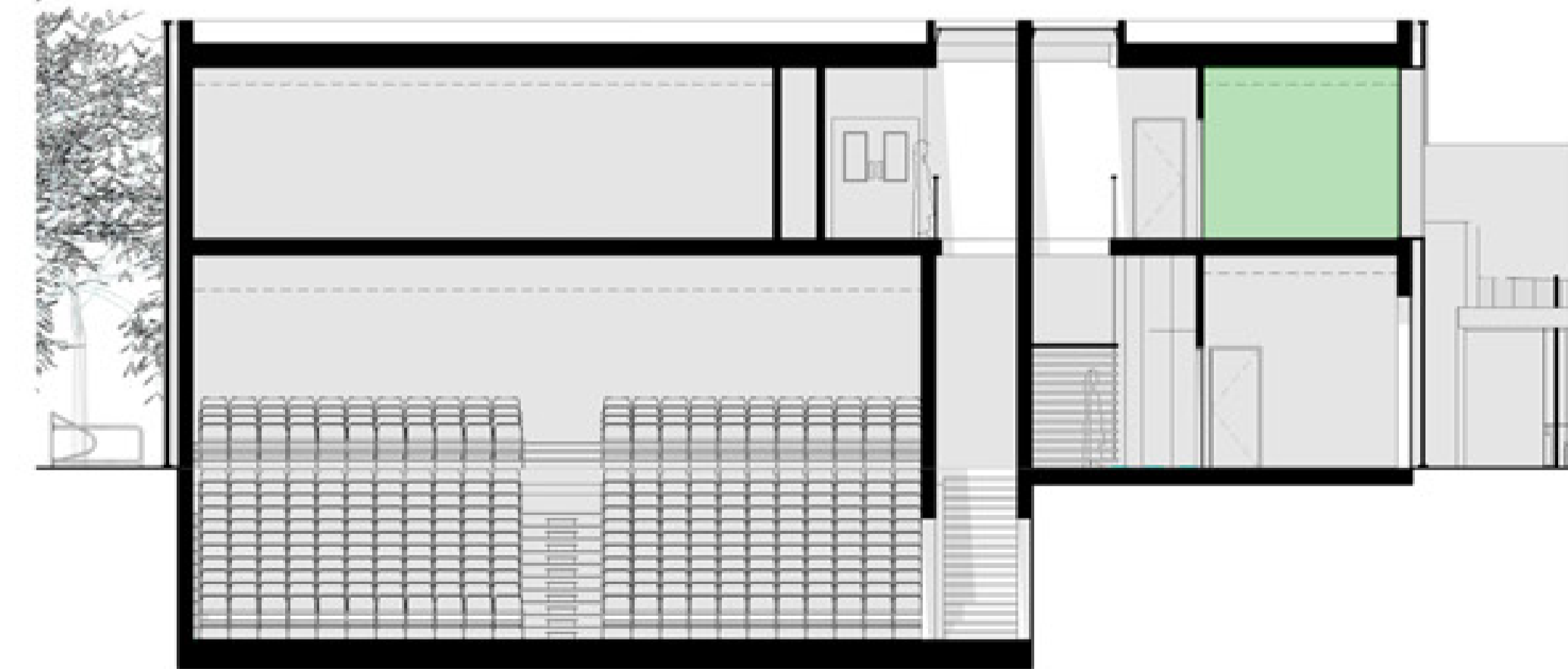
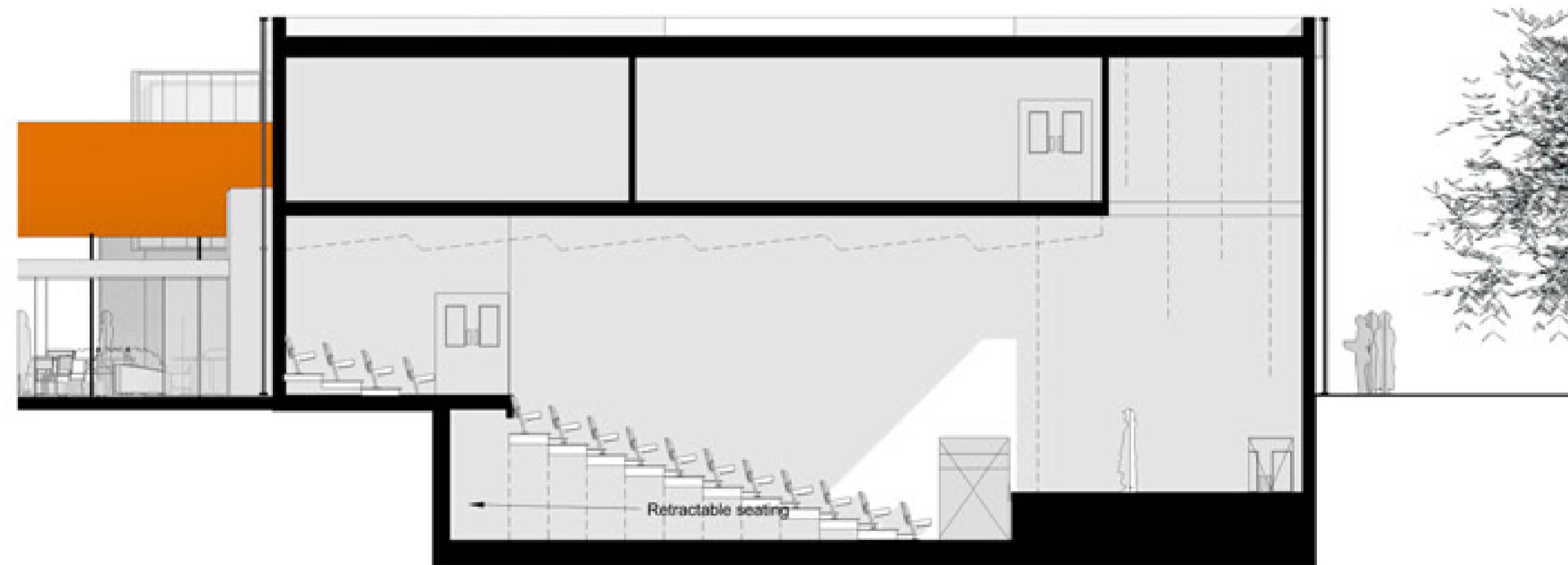
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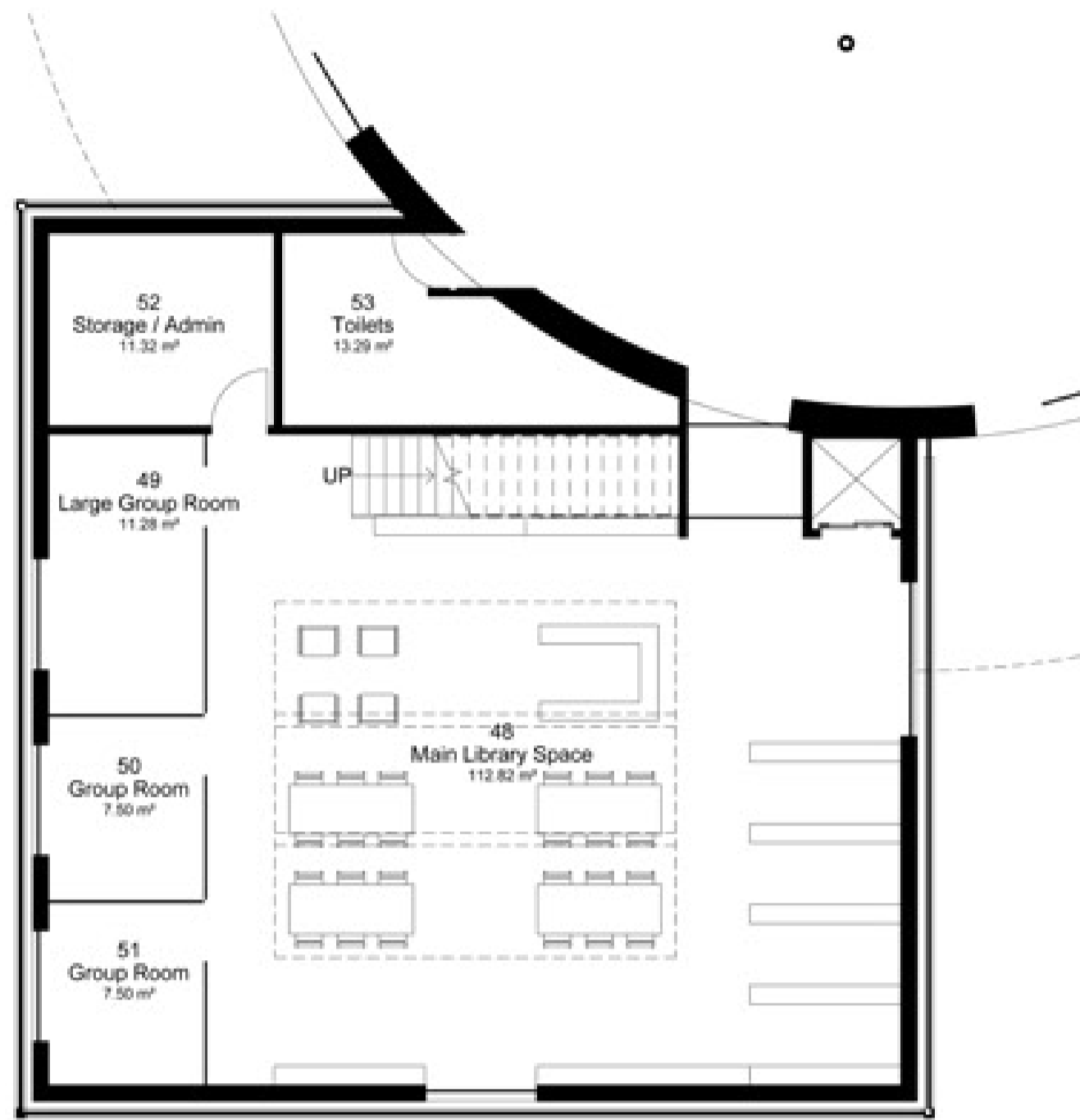


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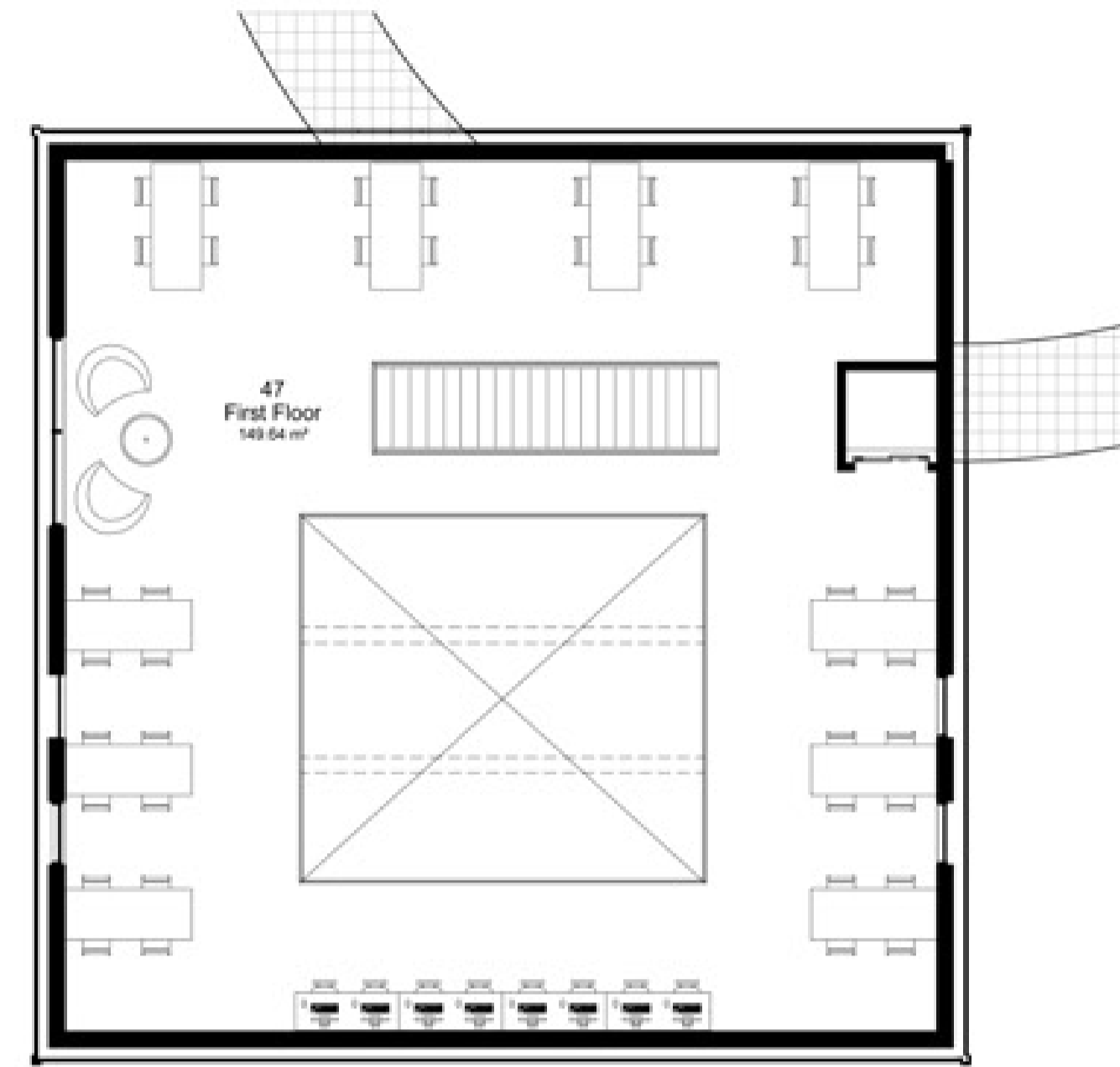


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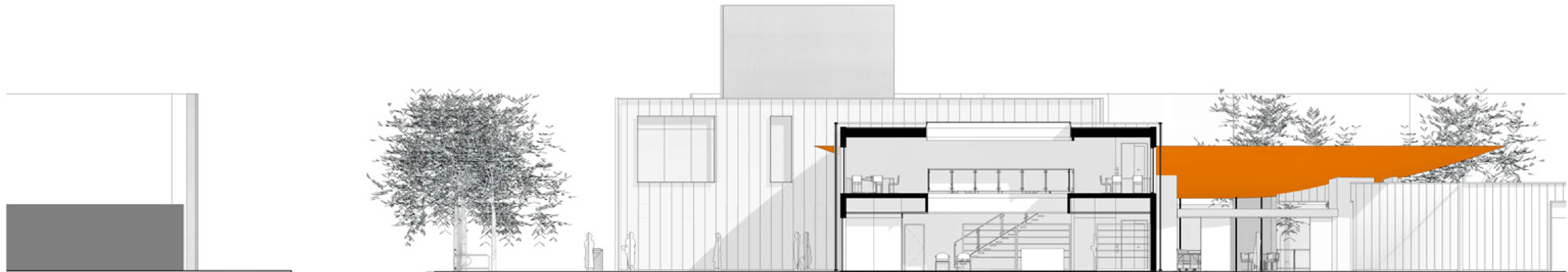


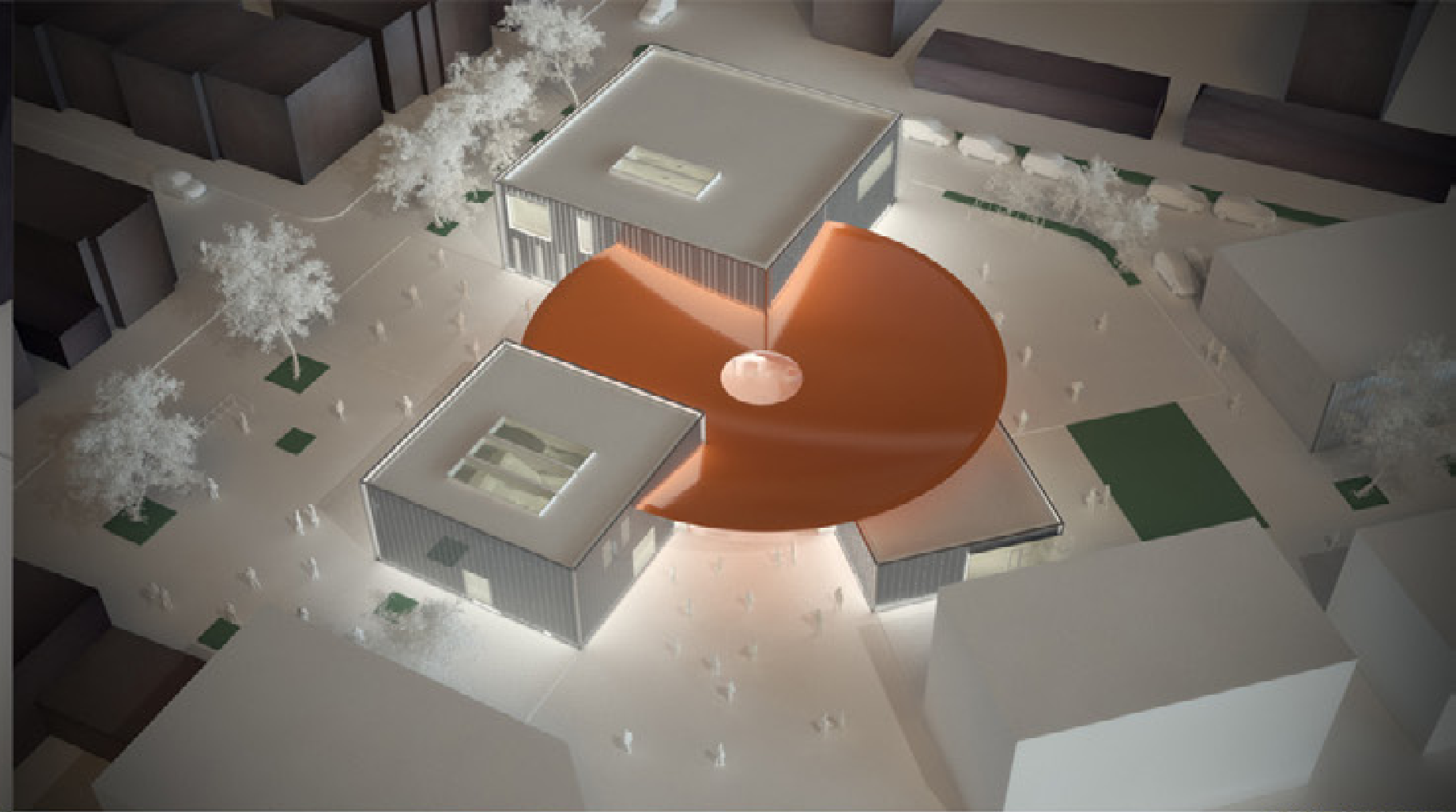


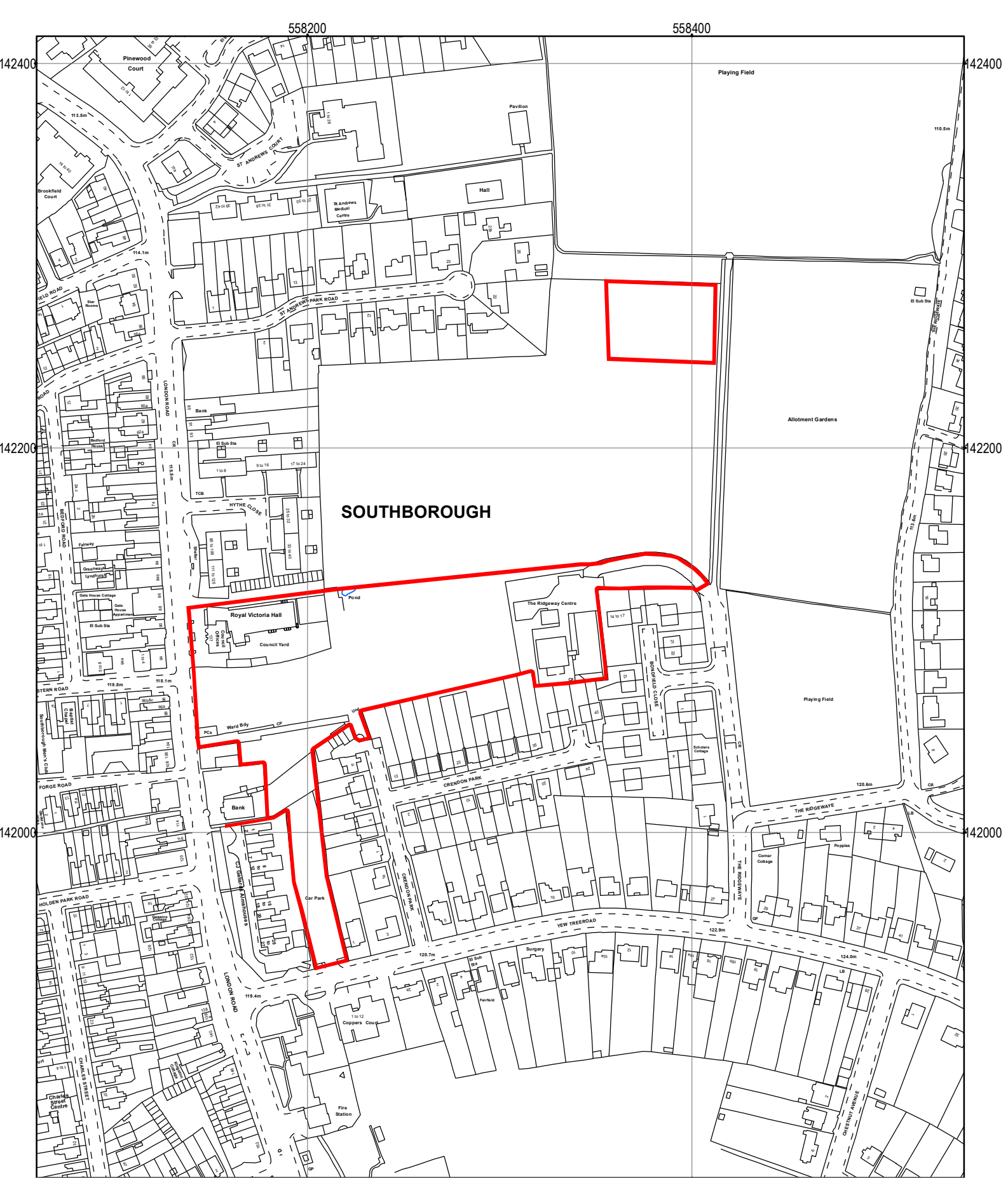
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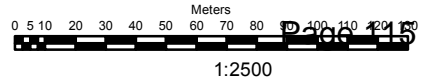
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**PROPERTY AND
 INFRASTRUCTURE SUPPORT**
 County Hall, Maidstone
 Kent ME14 1XQ
 Tel:08458 247247

Drawn By
MTD

Date
MAR 2015



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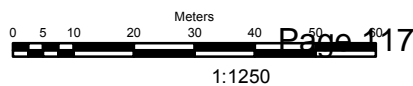
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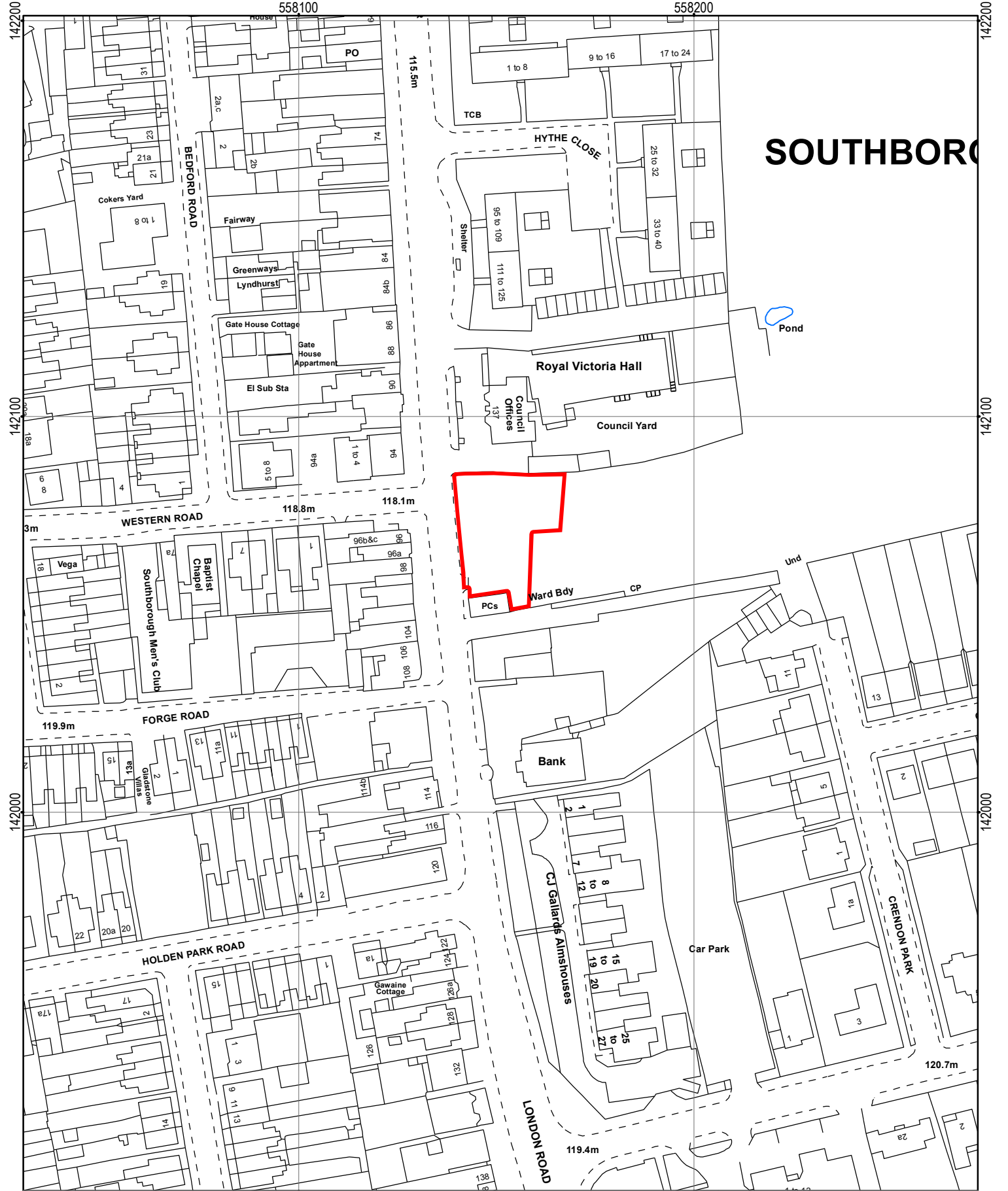
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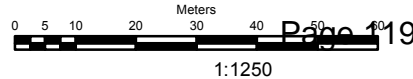


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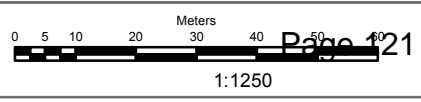
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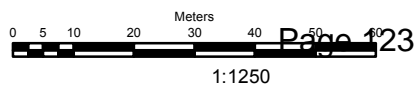
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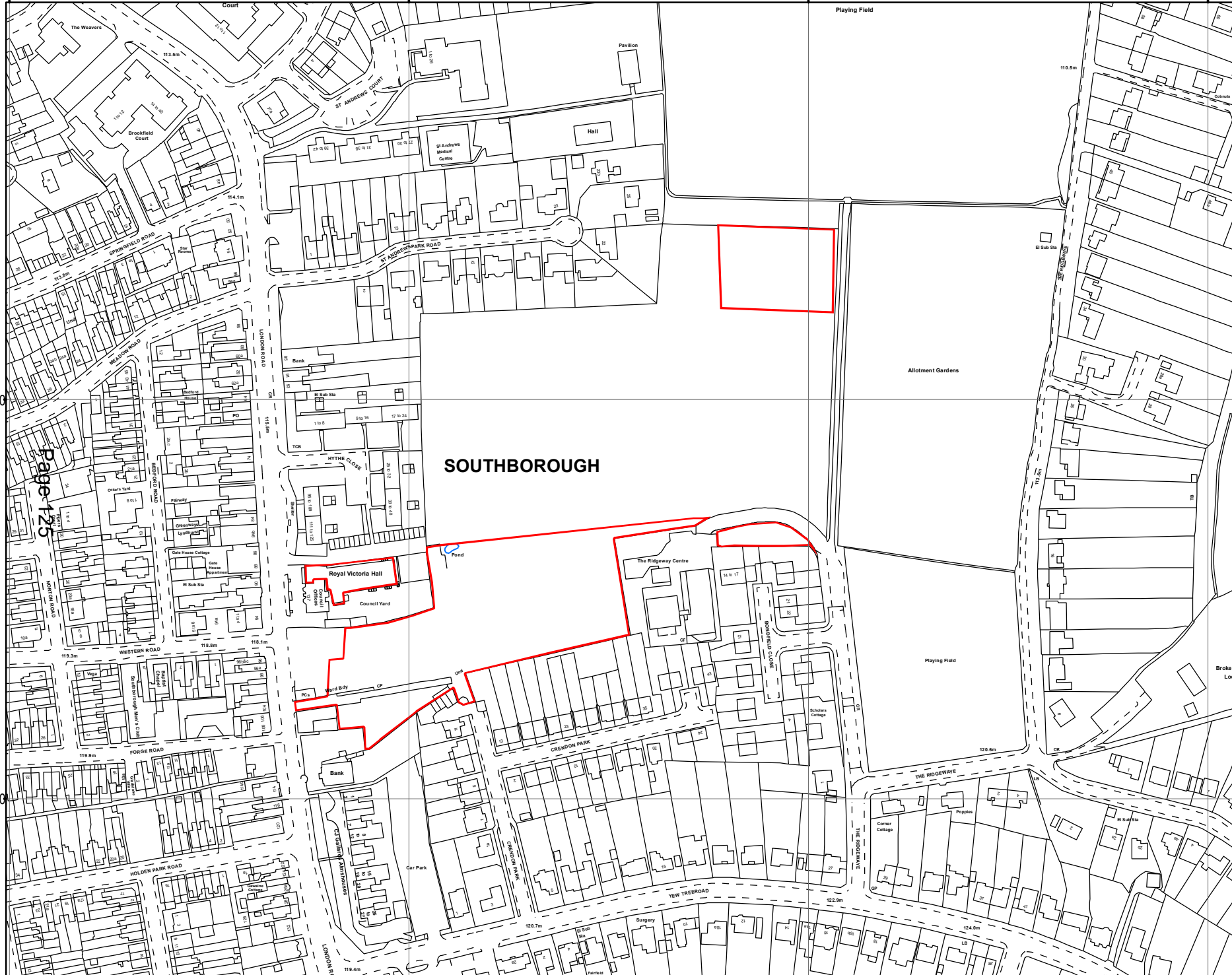
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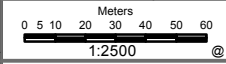


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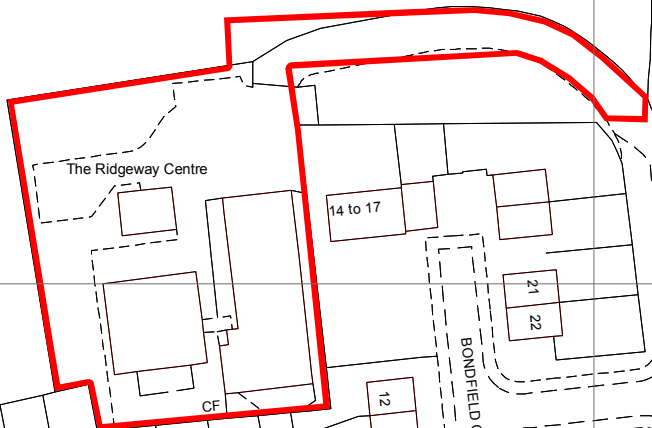
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Playing Field



The Ridgeway Centre

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CRENDON PARK

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Scholars Cottage

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THE RIDGEWAY

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Corner Cottage

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THE RIDGEWAY CENTRE
SOUTHBOROUGH
TUNBRIDGE WELLS

KCC FREEHOLD SITE



PROPERTY GROUP
County Hall, Maidstone
Kent ME14 1XQ
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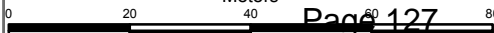
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From: Paul Carter, Leader of the Council
Mark Dance, Cabinet Member for Economic Development
Mike Hill, Cabinet Member for Community Services

Barbara Cooper, Growth, Environment & Transport

To: Growth, Economic Development and Communities
Cabinet Committee, 14th April 2015

Subject: Growth, Environment & Transport Directorate Business
Plan (2015-16)

Classification: Unrestricted

Summary: This report outlines the draft Growth, Environment & Transport Directorate Business Plan (2015-16) for consideration and comment, prior to publication online in May 2015.

Recommendations:

The Cabinet Committee is asked to:

- (1) **Consider and comment** on the draft Growth, Environment & Transport Directorate Business Plan (2015-16).
- (2) **Note** the final Directorate Business Plan will be published online in May 2015.

1. Introduction

- 1.1 The Strategy, Policy, Relationships & Corporate Assurance division is responsible for coordinating the annual business planning process. In December 2014, the Policy & Resources Cabinet Committee agreed the business planning approach for 2015-16, which focuses on developing Directorate Business Plans.
- 1.2 Directorate Business Plans play an important part in reflecting how each directorate will support the achievement of the County Council's new five year Strategic Statement "*Increasing Opportunities, Improving Outcomes*".
- 1.3 Cabinet Members, Corporate Directors and Directorate Management teams have taken strong ownership of the development of draft Directorate Business Plans, with appropriate support from the policy team.
- 1.4 The Growth, Economic Development and Communities Cabinet Committee is asked to consider and comment on the draft Growth, Environment & Transport Directorate Business Plan set out in **Appendix 1**. This feedback will be used to help shape and inform the final version of the Directorate Business Plan, which will be published online in May 2015.

2. Business Planning Process 2015-16

- 2.1 The focus on Directorate Business Plans has freed up capacity and allowed the organisation to focus on creating more strategic business plans which reflect the County Council's new Strategic Statement "*Increasing Opportunities, Improving Outcomes*" and set the context for transformational change in each directorate as a result of the 'Facing the Challenge' programme.
- 2.2 Below directorate level, there is no prescriptive corporate approach for business planning, which gives services the freedom to design business plans in a way which best suits the needs of their business. However, all business plans and individual action plans should have a 'golden thread' to the Strategic Statement, and reflect how each part of the organisation is contributing to improving outcomes.
- 2.3 Kent County Council is moving towards becoming a strategic commissioning authority, and the business plans increasingly need to reflect this change. To support this, the Policy & Resources Cabinet Committee agreed a series of additional information to be included in the 2015-16 plans.
- 2.4 This was designed to encourage the organisation to become more forward looking (beyond the annual business planning cycle), and to support the Commissioning Advisory Board and Cabinet Committees to inform their agenda setting and pre-scrutiny role, by highlighting major forthcoming expected activity they may wish to explore in more detail.
- 2.5 The additional information includes:
- **a directorate commitment on social value** – a priority identified by members in KCC's '*Commissioning Framework*'
 - **which services in the directorate are delivered internally (in-house) or externally** (commissioned services over £1m, including details of the external provider, contract length and contract value)
 - **major expected forthcoming activity** (service redesign and commissioning activity over £1m that requires a key decision, as far as can be anticipated over the next three years).
 - **identification of where any Directorate is putting in place a Service Level Agreement (SLA) with new KCC delivery vehicles such as a Local Authority Trading Company** (which will have their own business planning process appropriate to the needs of the business, as is currently the case with Commercial Services).

3. Growth, Environment & Transport Directorate Business Plan

- 3.1 The draft Growth, Environment & Transport Directorate Business Plan is set out in **Appendix 1**.

- 3.2 To ensure the business plan remains relevant and keeps pace with the level of change in the organisation, we will consider whether we need to update the content to reflect major service transformation decisions, once they are approved.
- 3.3 We welcome the opportunity for the Cabinet Committee to consider and comment on the draft content, and wherever possible we will reflect this feedback in the final version of the document.

4. Next Steps

- 4.1 The draft business plan will be updated and all four Directorate Business Plans will be shared at Cabinet Members Meeting in May 2015, prior to being published online on Kent.gov.
- 4.2 As with last year's process, divisional and service business plans will be made accessible to elected members and staff in a single area of KNet. This allows sharing of good practice and provides members with the opportunity to see the detail of service delivery in areas of particular interest.
- 4.3 The Strategy, Policy, Relationships & Corporate Assurance division will then review the effectiveness of this year's business planning approach, in order to make iterative improvements for next year's process.

5. Recommendations

5.1 The Cabinet Committee is asked to:

(1) **Consider and comment** on the draft Growth, Environment & Transport Directorate Business Plan (2015-16).

(2) **Note** the final Directorate Business Plan will be published online in May 2015.

Appendices:

Appendix 1: Draft Growth, Environment & Transport Directorate Business Plan (2015-16)

Background Documents: None

Author:

David Whittle

Director of Strategy, Policy, Relationships & Corporate Assurance

01622 696345

david.whittle@kent.gov.uk

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Growth, Environment and Transport Directorate Business Plan 2015-16

DRAFT

Contents:

- A. Foreword
- B. GET at a Glance
- C. KCC Strategic Statement (outcomes framework)
- D. Directorate Priorities
 - a. Cross-Cutting Priorities
 - b. Divisional Priorities & Outcomes
 - c. Transformational Activity
 - d. Expected major Commissioning & Procurement activity - table
- E. Other drivers for priorities
 - a. Strategic Commissioning Authority
 - b. Financial Challenge
- F. Divisions - Service description, provision, case studies & facts
- G. Directorate Organisational Development Priorities
- H. Directorate Risks
- I. Directorate Performance Indicators
- J. Appendix A – List of Local Growth Fund Schemes for Kent & Medway

Version	Date	Authors	Comment
1	18-02-15	Karla Phillips Theresa Warford	Initial draft of Business Plan sent to Barbara Cooper for initial comments.
1.1	19-02-15	Karla Phillips	Amendments made to OD Priorities Section.
1.2	03-03-15	Karla Phillips	Additional information to EPE section.
1.3	03-03-15	Karla Phillips	ED information and HTW outcomes/priorities added to Divisions section.
1.4	06-03-15	Karla Phillips Theresa Warford	LRA information added to Divisions section, EPE section amended, ED section amended, social value paragraph added.
1.5	10-03-15	Karla Phillips	HTW priorities/service redesign amended, ED amended, EPE amended, OD section amended.
2	12-03-15	Karla Phillips	Context section added, LRA priorities amended, Case Studies added.
2.1	17-03-15	Karla Phillips	Barbara Cooper's amendments incorporated, new Outcomes/Priorities tables put in Section A (replaces Divisions' Priorities tables), Divisions' Service Redesign sections moved to Section B, Divisions' Commissioning & Procurement info summarised in table (currently separate to Plan) LGF schemes added to Section A, amendments added from ED, EPE, HTW and LRA, KPIs updated.
3	19-03-15	Karla Phillips	Risk & OD sections amended, KPIs reordered, HTW case study amended, Barbara Cooper's amendments incorporated, LGF list put into appendix.
3.1	25-03-15	Karla Phillips	EPE additions/amendments added, cross-cutting priorities updated, ED amendments & case studies added, KPIs updated and 14/15 target column added, Resources figures updated, Risk section amended
3.2	25-03-15	Karla Phillips	Kevin Tilson's comments incorporated, EPE information added, ED development sites add in Appendix B
3.3	26-03-15	Karla Phillips	Exec Summary added, ED KPIs amended, Barbara's amendments added, C&P table updated, Staff data added to Resources
4	27-03-15	Karla Phillips	Re-ordering of content following the Leader's feedback
5	30-03-15	Karla Phillips	CMM & Leader's feedback incorporated: re-ordered C&P table by contract value, pothole priority added, Foreword added, Resources section deleted, GIF priority amended

A. Foreword

From starting in post some six months ago, I realised how important and valued our services are to local communities and to local businesses. What we do within GET impacts on planned and new communities as well as those that have a rich and long history. We offer members advice and support at both a strategic level (with the Growth and Infrastructure Framework set to be a key document) and at a day to day operational level. From the fundamentals such as pot holes and street lighting through to protection of communities through wardens and trading standards and to the difficult to value (but we would miss them if they weren't here) services such as arts, sports and country parks.

In managing a declining resource base and increasing demand, married with a new focus on commissioning and outcomes the GET Directorate is managing delivery of the 'Facing the Challenge' review conclusions for Libraries, Registration and Archives and for transport. We are also implementing key recommendations from reviews of country parks and trading standards and shaping and delivering service redesigns across the directorate. Our new Portfolio Board is charged with responsibility for ensuring delivery, identifying barriers and for sharing best practice.

With so many front facing services it is hugely important that we ensure consistently excellent customer service across the directorate. We have started a review of our current performance and are undertaking deep dives of a number of services with a view to an improvement plan being ready for September.

Moving towards a commissioning authority doesn't just happen overnight. The whole concept and what it means for commissioning and procurement, for market engagement and for market making, for contract management and for evaluation needs embedding and understanding. To this end we are ensuring that our timescales for decision making are clearer to members, our workforce development plans take account of staff development needs, that our risk and health and safety registers take account of new contractual arrangements and that we share learning and best practice.

Finally, it is our staff that deliver these services, day in day out. From my first six months I can say that we have hugely dedicated staff that are proud to work in the public sector, want to transform services, and care deeply about their users. I thank them all.

From the Directorate that shapes communities.

Barbara Cooper, Corporate Director

[Insert signature and photograph]

B. GET at a Glance

The Growth, Environment & Transport directorate is considerable in its breadth and depth. With a budget of **£170 million** and over **1300 staff**, we are responsible for an array of services that include the more familiar services that shape our communities such as maintaining and improving Kent's roads, protecting communities against flooding, managing our waste and fostering a lifelong love of reading through our libraries. But we also provide loans to help local businesses thrive or convert empty properties into much needed residences, create running routes for residents in our Country Parks, protect vulnerable residents against rogue traders, actively support the low carbon sector, and bring history alive for local communities.

Our Financial Resources

Division	Staffing	Non Staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Strategic Management & Directorate Budgets	539.0	1,068.6	1,607.6	0.0	-68.0	0.0	1,539.6
Economic Development	3,355.6	4,019.4	7,375.0	-100.0	-1,465.8	-259.3	5,549.9
Highways, Transportation & Waste	17,220.7	138,922.3	156,143.0	-623.0	-17,182.2	-2,162.5	136,175.3
Environment, Planning & Enforcement	14,587.4	8,031.0	22,618.4	-622.2	-6,614.5	-691.6	14,690.1
Libraries, Registration & Archives	12,579.1	5,127.7	17,706.8	-408.1	-5,141.6	0.0	12,157.1
DIRECTORATE TOTAL	48,281.8	157,169.0	205,450.8	-1,753.3	-30,472.1	-3,113.4	170,112.0
CAPITAL 2015/16	£105.7m (part of £860m 6 year programme)						

Our Staff Resources

Division	FTE	Grade Band*	FTE	%
Growth, Environment & Transport	3.9	KR6 & below	607.8	46.2
Economic Development	65.2	KR7-9	419.5	31.9
Highways, Transportation & Waste	418.8	KR10-13	264.3	20.1
Environment, planning & Enforcement	368.3	KR14-15	17.0	1.3
Libraries, Registration & Archives	459.4	KR16+	7	0.5
Total	1,315.6	Total	1315.6	100

Our Priorities

Our priorities are directed and shaped by the recently agreed **Strategic Statement *Increasing Opportunities, Improving Outcomes***. Whilst each of the services has priorities for this coming year, we are committed as a directorate to working together to:

- We will develop the **Kent and Medway Growth and Infrastructure Framework** (GIF) which will identify and cost the infrastructure (e.g. roads, schools) necessary to facilitate growth planned to 2031, identify funding gaps, feed directly into Districts' Infrastructure Delivery Plans and negotiations with developers and serve as a robust evidence base to engage Government in discussions on funding, particularly regarding development of the London Plan.
- Identify and deliver projects through the **Local Growth Fund** to unlock infrastructure necessary for growth
- Undertake the **Customer Service Review** to deliver consistent customer service across the Directorate guided by the principle of being 'digital by design'
- Review the structure of our **Partnerships** and ensure they deliver against our strategic outcomes

- Work with district councils to agree **District Deals** that provide a more joined-up approach to planning and delivering services locally
- Refresh the **Kent Environment Strategy** to grow the green economy and protect the environmental fabric of the county
- Contribute to the council's **Public Health** outcomes by identifying opportunities to partner commissioners and CCGs on planning and delivery

Our specific priorities and how they align to KCC's supporting outcomes are detailed on pages 7 to 14.

Our Transformation

With our vast range of services, it is crucial that we continue to drive transformation to ensure they remain fit for purpose while placing the customer at the heart of what we do. That is why our **Portfolio Board** has a substantial remit, with its significant and challenging workload including the major reviews of Transport Services and Libraries, Registration & Archives and service redesigns taking place across all of our divisions. See pages 15 to 17 for more details.

Our Commissioning and Procurement

As we strive to become a strategic commissioning authority, GET's commissioning and procurement activity over the next three years will be extensive, as we will be taking at least £416million of services and contracts through the commissioning process. This will include activity such as Highways maintenance, Waste to Landfill, LED Street Lighting, Library Management Systems, Socially Necessary Bus Service provision, and the Rail Journey Time Improvement scheme. More information is provided on pages 17 to 20.

And so this Business Plan sets out the priorities and major activity our directorate will deliver in order to meet the scale of the opportunities and challenges we face in embracing commissioning and in ensuring our services benefit both residents and businesses but also continue to improve.

C. 'Increasing Opportunities, Improving Outcomes' – KCC's new Strategic Statement

KCC has developed a clear statement of priorities through a set of high level outcomes. These outcomes will drive and shape commissioning and service delivery across KCC. The framework overleaf sets out the outcomes; there are many that the GET directorate can and does contribute to, for example LRA services' role in giving children and young people the best start in life and Public Protection's initiatives to protect older and vulnerable residents from rogue trader activity. However, the Strategic Outcome, 'Kent communities feel the benefit of economic growth by being in-work, healthy and enjoying a good quality of life', as highlighted in the diagram, is particularly relevant for GET's services.

To be a successful strategic commissioning authority we must have the right principles and approach in place. To this end, KCC has agreed a **Commissioning Framework** which has at its core the following ten guiding principles:

1. *Focused on outcomes for our residents*
2. *A consistent commissioning approach to planning, designing and evaluating services*
3. *The right people involved at the right stage of commissioning*
4. *Open-minded about how best to achieve outcomes*
5. *High-quality, robust evidence informing our decisions*
6. *Hold all services to account for the delivery of KCC's strategic outcomes*
7. *Customers at the heart of our commissioning approach*
8. *A commitment to building capacity*
9. *We will maximise social value*
10. *Our supply chains will be sustainable and effective*

Outcomes Framework overleaf

Our Vision
 Our focus is on improving lives by ensuring that every pound spent in Kent is delivering better outcomes for Kent's residents, communities and businesses.



D. Directorate Priorities

In this section we set out our key priorities and forthcoming major transformation, commissioning and procurement activities for the year.

a) Cross-Cutting Directorate Priorities

United by the 'growth lens' and by a drive to deliver good customer services, there are a number of priorities that cut across the whole of GET, including:

1. Growth & Infrastructure Framework

We will develop the Kent and Medway Growth and Infrastructure Framework (GIF) which will identify and cost the infrastructure (including roads, schools, utilities, environmental protection and capacity) necessary to facilitate growth planned to 2031. The Framework will be used to identify funding gaps and will also feed directly into both the Infrastructure Delivery Plans being developed by districts in support of their Local Plans and into negotiations with developers and districts for appropriate levels of S106/CiL contributions for new developments. Furthermore, the Framework will serve as a robust evidence base to engage Government in discussions on funding and in the forthcoming (and growing) debate with London on the development of the London Plan. The GIF will also be supported by the refresh of Growth Without Gridlock and the Kent and Medway LEP growth strategy.

2. Local Growth Fund

We will work collaboratively across the directorate to identify Kent-wide priorities for Local Growth Funding, create successful bids to secure funding and deliver to benefit the county's economy and infrastructure to boost growth. Please see **Appendix A** for a list of approved LGF schemes for Kent and Medway.

3. Customer Service Review

Driven by an aim to deliver consistent customer service that takes on the principles of the Corporate Customer Service Policy including Digital by Design, an internal review has been commissioned. Work has begun to gather evidence of how we currently deliver customer service, focusing on the following: Speed Awareness, Coroners Service, Highways fault reporting, online licenses and GET Priority Response Enquiries. This information will be used to create a business case to provide us with a consistent directorate-wide approach to customer services. The review will report to GET's Portfolio Board in September 2015.

4. Partnerships

KCC rarely acts alone in either planning for or delivering services. Hence a key aspect of our work is in supporting and growing a range of partnerships. There will be an urgent need to renew the structure of the South East LEP and the role of the Kent & Medway Economic Partnership. Furthermore, we must ensure that partnerships deliver against our strategic outcomes.

5. District Deals

We will work with District Councils to develop a programme of bespoke, bilateral agreements between KCC and each District Council. These Deals will enable the Directorate and wider Council to provide a more joined-up approach to services and support provided to the districts in Kent. The District Deal programme will enable more effective delivery of shared policy objectives; enable a better quality of customer service within the districts; and achieve overall cost savings to the public sector through more efficient ways of working.

6. Kent Environment Strategy

We will review and refresh the Kent Environment Strategy. This is a cross Kent and KCC Strategy that is aimed at protecting and enhancing the natural environment, minimising negative environmental impacts, maximising opportunities linked to the low carbon environmental goods

and services sector and ensuring all KCC Services and Kent are resilient to the impacts of climate change.

7. Public Health

GET services already actively contribute to the responsibilities KCC has as a public health authority. Working alongside the Public Health team, GET teams will look for opportunities to better partner commissioners and CCGs on planning and delivery of public health outcomes.

b) Divisional Priorities supporting KCC's Outcomes

In order to support KCC's outcomes-focused approach, we have identified the following priorities for this year by the relevant Supporting Outcome:

Physical and mental health is improved by supporting people to take more responsibility for their own health and wellbeing

Environment, Planning & Enforcement:

- Deliver the Kent Warm Homes scheme to increase the energy and water efficiency of Kent housing, save money for residents, tackle fuel poverty and improve the health of Kent residents through commissioning retrofitting of energy efficiency measures for homes in Kent
- Grow and strengthen the opportunities for Kent residents to be increasingly physically active, through programmes such as Kent Inspire (final programme of Kent schools' 2012 Legacy Programme), school sports initiatives e.g. Sportivate, Kent School Games, and by closely working with the national governing bodies for a range of different sports
- Deliver outdoor projects through Countryside Management Partnerships, Explore Kent and Public Rights of Way to tackle the issue of physical inactivity and improve the health of Kent's residents.

Libraries, Registration & Archives:

- Expanding resources for people suffering ill health to support their personal responsibility for wellbeing, e.g. by the introduction of WellBeing Zones; increasing the number of activities and resources for people with mental health illnesses; promoting Reading Well books on Prescription service and promoting our network of Dementia Friendly libraries across the county.

Kent business growth is supported by having access to a well skilled local workforce with improved transport, broadband and necessary infrastructure

Economic Development:

- Support proactive collaboration with London on addressing and making the most of the economic growth projected for London
- To secure support and funding for current and potential future strategic infrastructure projects, including:
 - Local Growth Fund (LGF) projects secured from Rounds 1 and 2 in 2014/15
 - Potential future LGF or other LEP/central Government-funded projects
 - Discovery Park Enterprise Zone
- To continue to deliver phase 1 and roll out phase 2 of the Broadband Delivery Programme, including the identification of gaps and opportunities to provide connectivity for areas outside of the reach of current broadband provision
- To attract/secure investment in strategic infrastructure, by working with District Councils and

private sector stakeholders to secure external investment, including:

- from developer contributions (i.e. s106 negotiations and from CIL where in place)
 - where appropriate, from external sources (i.e. potential further rounds of funding through the LEP, EU and HCA funding, and/or other non-public sources of investment)
 - from infrastructure delivery plans as developed alongside local plans
 - Specific developments, such as e.g. Chilmington Green, Queenborough and Rushenden
- Working with business and the Education and Young People Directorate in ensuring a strong employer voice in the development and delivery of skills provision, including the development of new models such as including Guilds (e.g. the emerging hospitality, tourism and transport guild and the proposed creative and media guild) and thereby contributing to the employability of residents more effectively

Environment, Planning & Enforcement:

- Develop the Growth and Infrastructure Framework to identify gaps and opportunities for delivery of infrastructure to support economic growth across the county
- Develop 'Growth Without Gridlock' into Kent's Local Transport Plan to deliver essential transport infrastructure to support growth
- Deliver key strategic transport projects to drive new business growth in Kent, including:
 - Operation Stack and Overnight Lorry Parking
 - Lower Thames Crossing
 - Ashford Spurs (signalling improvement to retain Ashford on the international rail network)
 - Rail Journey Time Improvement Scheme
 - Thanet Parkway; new railway station to improve rail connectivity
- Determine Planning Applications facilitating a wide range of improved education facilities include the County's Basic Need Programme
- Increase the number of apprenticeships across the Division's services
- Trading Standards to work with other regulatory bodies (e.g. District Councils, licensing authorities, Fire, Police) to deliver a joined-up approach to business regulation and advice

Highways, Transportation & Waste:

- Develop and deliver the Local Growth Fund & Local Transport Programme rolling programme of medium and small schemes, including delivery of member community fund priorities and the transport infrastructure schemes to support economic across Kent
- Support economic and housing developments through the development and approval of Transport Strategies for Maidstone, Tunbridge Wells and Swale
- Procure and commence the new Traffic Systems Term Maintenance Contract to maintain all traffic signals across the county
- Implement an improved procurement process for passenger transport services (PSV) through the use of 'Dynamic Purchasing System' (DPS) to introduce flexibility into the process thereby providing better service for both KCC and our customers
- Facilitate business decision-making to either extend or re-procure the Highway Term Maintenance Contract with Amey.

Economic Development:

- Review the right level at which to undertake economic development activities, including:
 - Proactive engagement in a review of the Southeast Local Enterprise Partnership (LEP) following the General Election
 - Coordination of the development of District Deals as a new model of working more effectively and efficiently with local partners to deliver services and major projects
- Develop an outcome-focused approach to developing and attracting external investment to projects which stimulate jobs and growth, backed by an investment plan which ensures KCC is engaging the following opportunities:
 - Refresh the Kent & Medway LEP Growth Strategy
 - Public funding opportunities including European funding opportunities (Interreg from Feb 15, European Structural Investment Fund (ESIF) and LEADER funding from March 2015); further LEP funding opportunities; and other public sector funds
 - Private sector investment and other funding opportunities where appropriate, e.g. income generation from services
- Attract inward investment and support indigenous business investment in growth sectors – including, but not limited to: life sciences, creative and media industries, rural and land-based, low carbon and renewable energy, logistics.
- Showcase/promote the Kent offer to high value industry, including life sciences and related industries, nanotechnology and related industries
- Ensure that businesses with the potential for innovation and growth have the opportunity to secure the finance and support they need to enable them to expand, using the Regional Growth Fund and other access to finance monies
- Facilitate an increase in international trade and export activity by Kent's businesses, reducing the 2% export gap between Kent and the wider South East, and an increase in inward investment to Kent from international markets
- Deliver a sector-led, market-facing approach to Kent's support of the cultural and creative industries (CCI) through a private sector-led Cultural Transformation Board, Cultural Strategy 2020 – culminating in a bid to European Capital of Culture 2023
- Support the Turner Contemporary to become more commercially sustainable
- Facilitate the development of the cultural and creative industries through greater promotion and take-up of commissioning opportunities, building on the work of the industry and KCC in developing the cultural commissioning model in the public health agenda
- Use the Arts Investment Fund to leverage support to cultural and creative industries to facilitate the introduction of more commercial sustainability and acumen to the sector

Environment, Planning & Enforcement:

- Deliver the recommendations of the Winter Flood Cabinet Paper and the actions in the Flood Risk Management Strategy to ensure a resilient economy
- Provide financial and sustainable business support to businesses operating in the low carbon and environmental goods and services sector through the Low Carbon Kent programme to stimulate growth
- Provide the 'Energy and Water Investment Fund', a loan fund and investment programme for

energy efficiency and renewables to ensure that KCC's resources are used most effectively.

- Support the successful development of Paramount Park and Ebbsfleet Development Corporation/Garden City through expert advice and coordination of KCC's input

Kent residents enjoy a good quality of life, and more people benefit from greater social, cultural and sporting opportunities

Environment, Planning & Enforcement:

- Enhance the Community Warden service by recruiting and training volunteers to support the existing wardens and provide enhancements to the current service
- Support and grow high quality volunteering programmes across KCC services, involving the Voluntary & Community Sector where required
- Achieve an incremental increase in the levels of participation in sport and physical activity among the population in Kent, with a focus on attracting new participants and encouraging the less active to become active

Highways, Transportation & Waste:

- Develop the Young Persons Travel Card to ensure sustainability and affordability and enhance the customer experience from application to receipt including incorporating 'digital by design' principles
- To identify options for funding of Socially Necessary Buses, with the aim of implementing changes from April 2016

Libraries, Registration & Archives:

- Develop a service specification, whether delivered through a Trust or the County Council itself, which will ensure that the county's Library, Registration & Archives service is protected and determines how the county's library buildings can be developed as a shared community resource which is both valued and used by more of our residents on a regular basis.
- Drive the digitisation of archive records to increase access to our documents and allow customers to carry out more research remotely.
- Deliver a programme of events and activities, giving local communities a greater understanding of historic events and their legacy, such as:
 - First World War remembrance events through to 2018 in conjunction with the District and Borough Councils and other partners.
 - Magna Carta activities throughout 2015 including the national Touring exhibition to visit the Kent History & Library Centre in September and the gifting of Magna Carta scrolls to all children born in June 2015 and those attending a Citizenship Ceremony in June at Allington Castle

We support well planned housing growth so Kent residents can live in the home of their choice

Economic Development:

- Support an acceleration in development by attracting investment and working with partners to overcome barriers to development, developing new models and innovation where appropriate:
 - supporting districts and developers to overcome other barriers to growth

- working with partners and the industry to explore and secure external funding where possible to kick-start/facilitate development (e.g. SEFUND or other similar funding models)
- advocating/promoting good design through refreshing the Kent Design Guide
- delivering housing directly through partnering initiatives at Kings Hill and EuroKent
- continued delivery under No Use Empty (NUE), including the extension of its Affordable Homes Project (2015-2020), developing new products which will focus on unlocking empty commercial space/sites (including empty shops),
- improving the wider environment to support development of sustainable communities

Environment, Planning & Enforcement:

- Develop the Growth and Infrastructure Framework, to identify the broad infrastructure requirements to support housing and economic growth across the county
- Ensure the KCC strategic overview of district plans for housing and growth and provide expert advice on strategic developments

Kent's physical and natural environment is protected, enhanced and enjoyed by residents and visitors

Environment, Planning & Enforcement:

- Refresh the Kent Environment Strategy to show how we will work with partners to grow the green economy, and protect and sustain the physical and environmental fabric of the county
- Deliver Kent's Local Flood Risk Management Strategy to ensure that all KCC services and partners manage the risk of flooding across the County (a requirement of the Flood and Management Act 2010)
- Work with the Environment Agency to develop the flood alleviation scheme at Leigh and Beult to protect homes and the environment
- Explore ways of funding flood alleviation schemes through the Flood Funding Forum
- Work with the Kent Resilience Team & Emergency Planning using the Severe Weather Monitoring System and other projects with communities to ensure communities are more resilient to severe weather events
- Deliver the Darent Valley Landscape Partnership Scheme, £3.5m Heritage Lottery Fund scheme to conserve and enhance the natural environment of the Darent Valley, led by the Kent Downs team, in partnership with KCC, communities, District Councils and businesses
- Build on the recommendations from the Facing the Challenge reviews to ensure that Kent Country Parks and Countryside Management Partnerships continue to protect, improve and provide access and education about the Kent countryside, landscapes and habitats

Highways, Transportation & Waste:

- Reduce energy costs and the impact on the environment through the LED Street Lighting project
- Develop a new Waste Management strategy which reflects the aspirations for growth within the County. To identify any opportunities to consult with Kent taxpayers and gain customer insight to help inform the way that services should be procured and delivered.
- Improve the life and condition of Road and Footway assets through reviewing the contract schedule and specification
- Continue to prioritise our pothole repair service to ensure a permanent first time repair when possible, delivered to the right quality and within our published repair times. We will manage

seasonal peaks in demand and link these repairs to our annual resurfacing programme to support our desire to improve the overall asset condition of roads and footways in Kent.

- Plan and implement redevelopment of the Sittingbourne Waste Transfer Station and Household Waste Recycling Centre to improve efficiency and ensure it is fit for purpose to then facilitate successful handover to business as usual operation.
- Ensure we are adopting smart approaches to bidding for incentive funding to enable us to attract additional capital funding for 2016/17 from central government
- Review the service provision for Soft Landscape Contracts and make a decision on our countywide approach to procurement for urban grass, shrubs, rural grass swathe, hedges, weed treatment and trees cutting
- Review the Kent Permit & Lane Rental Scheme balancing the need to co-ordinate all roadworks and the need to keep safe, maintain and improve all highway assets
- Work with Digital Services to review the on-line Customer Fault Reporting tool and make improvements to help drive channel shift away from telephone contact for most routine faults and enquiries.

The attainment gap between disadvantaged young people and their peers continue to close (under Strategic Outcome 1)

Libraries, Registration & Archives:

- Work within local communities to provide a Gateway point of access to a range of public services.
- Development of the Swanley Gateway in 2015/16, ensuring that the new library facilities are part of the Gateway environment. Working with partners such as Swanley Town Council, Sevenoaks District Council, CSL and the Post Office to deliver a wide range of services under one roof to the local community, especially younger people through the Job Centre and CAB

All children and young people are engaged, thrive and achieve their potential through academic and vocational education (under Strategic Outcome 1)

Environment, Planning & Enforcement:

- Deliver a professional development trainee programme across a number of the Countryside Management Partnerships
- Deliver Forest Schools on and off school sites to achieve and develop creativity, confidence and self-esteem of children and young people through hands-on learning
- Deliver Kent 'INSPIRED' Ways to Rio' programme which will provide personal development, sporting and cultural opportunities to targeted schools in Kent to meet the needs of communities with Kent's most challenging health inequalities

Libraries, Registration & Archives:

- Promote the use of libraries and books and improving reading and literacy for all Kent residents through the 'Get Kent Reading' initiative which will include activities associated with National Libraries Day and the Summer Reading Challenge for children.

*Older and vulnerable residents feel socially included
(Under Strategic Outcome 3)*

Environment, Planning & Enforcement:

Working with District Councils, Kent Police and Kent Fire and Rescue we will integrate our community safety partnerships and develop new volunteer programmes to support local community safety in particular how we support older and vulnerable residents who are at risk of social isolation to avoid becoming victims of fraud and scams.

*The health and social care system works together to deliver high quality community services
(Under Strategic Outcome 3)*

Libraries, Registration & Archives:

- Working to support the integration of health and social care services within the LRA landscape.
- Dartford Library and Museum consultation will be ongoing into 2015/16 with a view to delivering modernised services in partnership with the FSC Good Day Programme and providing a WellBeing Zone in the library

Residents have greater choice and control over the health and social care services they receive

Environment, Planning & Enforcement:

The Kent Nature Partnership's Health and Countryside Working Group will work to provide the evidence and advocacy to enable Public Health commissioners and Clinical Commissioning Groups to commission health outcomes through non-traditional routes and pathways

c) Delivering Transformational Change, including Facing the Challenge

The first two phases of the FTC programme are nearing completion. Libraries, Registration and Archives as well as Transport, Trading Standards and Country Parks have each been reviewed and are at various stages of implementation.

Within GET we have established a strong multi-disciplinary Portfolio Board which oversees our transformation and major programme activity. The Board meets monthly to provide assurance and oversight of the progress being made, give support to programme and project managers and challenge to successfully deliver the financial and non-financial benefits.

The GET Portfolio Board covers the following programmes and projects:

Phase 1 Reviews	Phase 2 Reviews	Service Redesign	Major Programmes
<p>Libraries, Registration & Archives (Sept 14 – Jan 16)</p> <p>Community Wardens (ongoing)</p> <p>Kent Scientific Services (TBC)</p>	<p>Trading Standards & Community Safety (OBC presented in Dec14 – phase 1 implementing now – PID for phase 2 to be presented to board in May 15</p> <p>Kent Country Parks OBC presented in Dec14. PIN notice goes out in May; PID for next phase due to be presented in August.</p> <p>Transport Service OBC presented in March 15. Pilot implementation and FBC due by Oct 15</p>	<p>Highways, Transportation & Waste Project initiated in Dec 14; implementation complete in Aug 15</p> <p>Environment, Planning & Enforcement Same as HTW</p> <p>Libraries, Registration & Archives Complete at end of this month; savings to be realised from Apr 15</p> <p>Economic Development project being initiated now; implementation Apr/May15</p>	<p>LED Street Lighting TAG and CAB approval in Mar 15; implementation from Dec15</p> <p>Customer Service Review Business case to be delivered in Aug 15</p> <p>Local Growth Fund Rounds 1 & 2 funding allocated from Apr15</p>

Reviews

Libraries, Registration and Archives: The preferred delivery option is to explore the possibility of transferring the services to a charitable trust, and we are currently out to public consultation with a closing date of 8th April. A final decision on the preferred option is planned for June 2015, with a implementation planned for early 2016.

Community Wardens: Following a public consultation on how best to reduce costs and address the geographical reach of the wardens, it was acknowledged that the wardens deliver a much valued service at the local level. As a result, it was agreed that the current numbers of uniformed wardens would be retained. Work will be taken forward to recruit volunteer wardens and to explore possibilities of partner funding.

Kent Scientific Services: The KSS review had been put on hold to await the recommendations of the Government-commissioned independent review on the Integrity and Assurance of Food Supply Networks. The report has since been released and the KSS review team will resume consideration of a number of proposals.

Kent Country Parks: having reviewed the service and looked at best practice elsewhere, Country Parks are investigating a number of delivery models which will assist them with their transformation and will further deliver KCC’s outcomes particularly in relation to Public Health.

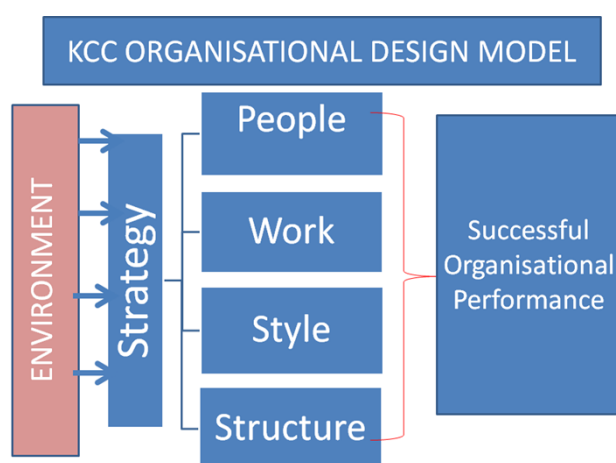
Trading Standards & Community Safety: having reviewed the service, Trading Standards and Community Safety will focus on service improvement and transformation activities including integrated working and intelligence sharing between the two units while increasing opportunities for working in partnership with other local authorities and partners. A redesign of Trading Standards incorporating a strengthened commissioning and tasking group will go out to consultation at the end of March.

Transport Service Review: this review is looking at our Transport Eligibility Service including mainstream Home to School and SEN transport, the Subsidised Bus Service, Concessionary Travel Service and Bus Infrastructure Service as well as Social Care transport services. Officers from the Education & Young Peoples Services directorate, GET and FTC Transformation Team will work together to test and validate opportunities and build a full business case.

Service Redesign

All four divisions are undertaking service redesigns. Our challenge will be to ensure we exploit linkages between services and divisions both within GET and across KCC, and not create new silos.

To help achieve our Strategic Outcomes, move to a Strategic Commissioning Authority and tackle the challenges ahead KCC has developed a clear, consistent and holistic approach to the way we design our teams and services. Good design turns business strategy into successful performance. The **KCC Organisational Design Model** aligns the Environment we operate in and Organisational and Service strategy with four key components of People, Work, Style & Culture and Structure:



This approach:

- puts customers and outcomes at the heart of design;
- helps develop the culture of the organisation, service or team;
- maximises overall team performance by looking at all factors, not just structures;
- encourages consideration of alternative ways of delivering services;
- identifies how and where resources need to be focussed; and
- enables resources to be re-configured when priorities change.

GET divisions are applying this model to their Service Design exercises. Furthermore, support for managers in understanding and applying this model has been included in our Organisational Development priorities, as detailed later in in this plan.

Economic Development

The ED team will be a streamlined resource, with a sharp focus on a few key priorities which it will deliver effectively and efficiently, focusing resources on creating an environment that is clearly and confidently “open for business” and supports KCC’s strategic outcomes. Our approach will be designed around our customers – some of these are businesses with which we work directly, and

some of these are the partner organisations, districts and networks that we work with to extend the reach of our efforts.

An evidence based strategic framework will frame the work that we do with partners to identify and develop business case-led approach to project development and delivery. The role of ED will be less to deliver, and more to facilitate, enable and promote. We will maximise the sustainability of the services we provide and commission, by seeking new funding solutions. This will include user charging where this is viable, for example in relation to our direct business finance programmes.

Environment, Planning & Enforcement

The aim of the EPE transformation organisational design reviews will be to maximise opportunities to:

- Ensure that the services are operating in the most cost effective and efficient manner
- Be fit to meet future pressures and legislative changes
- Deliver on the agendas of other parts of the Council such as Public Health through joint initiatives and projects, and partnership working.
- Use what we are doing to reduce the burden on businesses, and to help others deliver KCC's Outcomes

We will implement the solutions from the 2014/15 transformation reviews for Community Safety Unit and Trading Standards, and Country Parks and continue to put in place recommendations of the reviews of Kent Scientific Services and the Kent and Medway Coroners Service. In addition, all services within EPE will be undertaking the KCC Organisational Design process, examining their services, challenging the needs for the future and implementing the results of these exercises.

Highways, Transportation & Waste

HTW service redesign - this will build on the merging of Waste and Highways & Transportation in April 2014, exploring the opportunities for rationalising service elements such as contract management and major capital scheme delivery as well as addressing the need for robust project management for new and emerging major highways and transportation schemes and making necessary savings to the divisions budget over the next three years.

Libraries, Registration & Archives

The MTFP savings targets for 2015/17 required that management reviews be undertaken during 2014/15 and the Staff Management Review consultation concluded in December 2014. A further review of the Archive Service began in early 2015. These new structures will be implemented in April and May 2015.

d) Summary of Forthcoming Commissioning and Procurement Activity

The table on the following pages summarises the Directorate's expected start dates for commissioning and procurement activity over a rolling three-year period from 1st April 2015. The list will be regularly monitored and revised to allow the Commissioning Advisory Board and Cabinet Committees to plan their forward agenda and be fully involved in each stage of the Commissioning Cycle.

Activity	Current Provider	Estimated Contract Value	2015/16 Q1	2015/16 Q2	2015/16 Q3	2015/16 Q4	2016/17	2017/18
Highways, Transportation and Waste								
Decision on extension of Term Maintenance Contract (of up to 5 years, £50m p.a)	Amey	£250 million		Procurement				
Re-tender of Highways Term Maintenance if extension not agreed, minimum 5 years	Amey	£250 million		Commissioning				
Waste to Landfill	Virodor, Biffa, Veolia	£47 million			Commissioning			
LED Street Lighting	N/A	£40 million			Procurement			
Rathmore Road Improvement Scheme	Amey – scheme design. Works to be tendered	£10 million			Commissioning			
Passenger Transport Services	Local bus tenders and schools	£10 million			Procurement			
Resurfacing – contract extension decision, maximum 2 years	Eurovia	£10 million			Procurement			
Safety Camera Partnership Equipment 5 year contract	Trevelo Gatso Peek	£5.5 million	Procurement					
Maidstone Gyrotory Improvement Scheme (for scheme design. Works to be tendered)	Amey	£4.5 million		Commissioning			Procurement	
M20 J4 Eastern Overbridge Widening (for scheme design. Works to be tendered)	Amey	£4million			Commissioning			
Processing and recycling of Wood Waste - proposal to extend by 5 years	Countrystyle	£3.9 million			Commissioning			
Soft Landscapes Contracts	Clear Track Grass Tech	£2.5 million		Commissioning				Procurement

Activity	Current Provider	Estimated Contract Value	2015/16 Q1	2015/16 Q2	2015/16 Q3	2015/16 Q4	2016/17	2017/18
A26 London Rd/Speldhurst Rd/Yew Tree Road Junction Improvement	N/A	£2 million			Commissioning			
Socially necessary local bus contracts and bus service operators grants – various dates throughout the year	Various	£1.8 million		Commissioning				
ITS Traffic Systems term maintenance contract Minimum 5 years (£1.5m p.a.)	Telent	£1.5 million	Commissioning			Procurement		
Tonbridge High Street Regeneration phase 2	N/A	£1.4 million		Commissioning			Procurement	
Tonbridge High Street Regeneration phase 1	Amey	£1.25 million		Commissioning				
Highways Condition Services – contract extension decision	HSL	£1 million		Procurement				
Grosvenor Bridge Concrete Pier Replacement	N/A	£800,000			Commissioning			
Bulk Waste Reception, Handling & Haulage to Allington from Thanet area	Thanet Waste Ltd	£650,000		Commissioning				
Coring and Materials Testing	First Intervention Ltd	£500,000	Procurement					
Socially necessary Kent Karrier / Dial a Ride contracts (various dates throughout the year)	Various	£150,000		Commissioning				
Libraries, Registration and Archives								
LRA Trust	TBD		Commissioning					
Library Management Systems Contract (current contract ends 31/3/16) working through SELMS)	Civica	£1.25 million		Commissioning	Procurement			
Book supply	CBC contract	£1 million p.a		Commissioning	Commissioning	Procurement		
Library RFID Contract (current contract ends Nov 2015)	Bibliotheca	£500,000	Commissioning		Procurement			

Activity	Current Provider	Estimated Contract Value	2015/16 Q1	2015/16 Q2	2015/16 Q3	2015/16 Q4	2016/17	2017/18
Volunteer Development Programme (ends 31/3/2016)	CSV (due to rebrand)	£180,000			Commissioning	Procurement		
Registration management system - Ongoing as part of LRA Systems Review	Zipporah	£40,000 p/a	Commissioning ongoing	Commissioning ongoing		Procurement		
CALM – ongoing as part of LRA Systems Review	Axiell	£14,000 p.a	Commissioning ongoing			Procurement		
Economic Development								
Inward Investment	Locate in Kent	£625K pa £150K pa (FDI)					Procurement	
Visitor Economy	Visit Kent	£280,000 p.a					Procurement	
No Use Empty Specialist Advice – rolling contract	Connect 2 Kent	Up to £99,000 p.a	Procurement					
No Use Empty PR – rolling contract	FTI Consulting	Up to £27,000 p.a	Procurement					
Broadband Phase 2	BT (Phase 1)	TBC	Commissioning					
Hardelot Centre (in conjunction with ST directorate)	Edukent	TBC	Commissioning					
Due diligence/appraisal for RGF programmes (TBC)	Pricewaterhouse Coopers	TBC	Procurement					
Environment, Planning & Enforcement								
Thanet Parkway Design & Build	tbc	£8 million+				Procurement		
Rail Journey Time Improvement Ramsgate Phase 1	n/a	£4.6 million	Procurement					
Thanet Parkway procurement activities	Various	£770,000	Procurement					
Growth & Infrastructure Framework	AECOM	£70,000	Procurement					

Case Study - Boosting the East Kent Economy

A new two-platform railway station, “Thanet Parkway” on the existing railway line between Ramsgate and Minster stations, will bring Thanet to within about an hour’s journey time of Stratford International, improving access to employment opportunities for local residents. It will primarily service as a park and ride interchange, and will have a new car park with a capacity of up to 300 spaces. An eight-week public consultation exercise started on 2 February 2015 and a second public consultation exercise will be held in early 2016 prior to submitting the Planning Application in Summer 2016. The station will be ready for High Speed and Mainline train services by early 2019.

E. What else drives our activity this year?

a) Becoming a Strategic Commissioning Authority

KCC is driving forward its transformation to a strategic commissioning authority, moving away from service delivery focused on outputs and process to an outcomes-based approach to understanding and meeting community and user needs within the resources available.

We have to be smarter in how we commission services and target our limited resources. So we will:

- Use our resources in a way that better connects them to the needs of residents and businesses of Kent
- Use a commissioning approach to decide how we invest our limited resources
- Working with our residents, providers and partners, to benefit from the expertise, capacity and resources that each bring
- Take tough decisions when money we spend is not working hard enough to make a difference for our residents
- Support our local providers to participate in our new commissioning approach.

In GET we will support managers and staff in understanding and applying the ten Commissioning principles, as outlined on page 5. The recently agreed **Commissioning Toolkit** will be a foundation of our directorate’s Organisational Development priorities, as described later in this plan.

We will also commit to ensuring all commissioning work includes **social value priorities** through both the delivery of services and through the additional value a provider might offer in addition to the core requirements of a contract specification. Specifically we will seek to support:

- Local Employment – by creating local employment and training opportunities through specific requirements in our contracts such as our highways term maintenance contracts,
- Local Suppliers – by buying locally where possible to reduce unemployment
- Local skills through requirements for apprentice provision in all our major contracts
- Good Employer – working with our key external providers for staff development and welfare.
- Green and sustainable – protecting the environment and minimising waste through our contract measures to reduce landfill and approach highway maintenance activities

Importantly, we will work across disciplines to ensure we exploit opportunities and drive out duplication.

b) The Financial Challenge

Delivering a balanced budget and a sustainable three year Medium Term Financial Plan remains one of the most important and challenging strategic decisions that the Council has to make. KCC, like the rest of local government, is under significant, sustained and increasing pressure to further reduce the costs of delivering services to our residents and businesses whilst managing with rising demand. £350m of savings has already been achieved over the past four years, but this pressure will continue with at least a further £206m savings required over the next three years. Tough decisions will be necessary.

The 2015/16 budget was approved by County Council on 12th February 2015, which balanced the conflicting impacts of reduced funding from central government, rising demand and costs of services, and a desire to keep council tax increases low for Kent residents. Continued reductions in Local Government funding means we will face difficult choices in balancing the budget. Results from our consultation with local residents and businesses indicated strong support for continued transformation, efficiency savings and stopping/reducing lesser valued services.

In relation to the GET directorate, the base budget for 2015/16 has reduced from £179.4m to £170.1m. This represents, on the face of it, a net budget reduction of £9.3m but due to price, demographic and legislative pressures, savings of £15.2m will need to be delivered to balance the budget. These savings will be achieved in a number of ways, with service re-design, contract and procurement efficiencies and exploring new income generation opportunities the primary routes.

GET's budget has also been shaped by a number of pressures. For example, demographic changes impact on both concessionary fares and the Young Person's Travel Pass, increased waste levels create cost pressures and price increases on our energy contracts have to be accommodated. However, opportunities for savings are also being realised, for example through initiatives to convert Waste Recycling costs into income streams, joint working with Police and Fire on Community Safety and Emergency Planning and procurement efficiencies from re-letting highways, transport and waste contracts.

GET has a huge capital programme £860 million for the next 6 years, with £105.7 million budgeted for 2015/16. Our large capital programme includes LED Street Lighting, the Local Growth Fund, the No Use Empty property scheme, the Sandwich Town Tidal Defence Scheme and the Public Rights of Way Asset Management Plan.

F. Divisions – Who we are and what we do

In this section we describe our Divisions' services and their current activity.

Economic Development

Who We Are

The Economic Development Team is responsible for creating a high quality environment in which businesses can realise their full potential, whether starting, growing or locating to the area. This places Economic Development in the unique position of playing a dual role – on the one hand, facilitating the soft infrastructure needed by business to thrive, but also securing the hard infrastructure in which those businesses and the communities in which they operate can achieve their full potential – work that is underpinned by strong partnerships.

The team will also develop new models of working with business, stakeholders and government at all levels to deliver economic development which is more sustainable and driven by businesses and partners themselves, and which supports innovation. The result will be a Kent that is “open for business” where business can get the support it needs, communities have the space and infrastructure they need, and individuals have quality job opportunities.

What We Do and How We Deliver

Business: Market-facing support

The team works with partners to support the creation of an environment in Kent that is clearly and confidently “open for business”. The team is the Council's business-facing resource, and in doing so, provides critical intelligence as to impact of and need for policies and interventions to support the business environment.

Infrastructure: Providing the infrastructure for growth

In doing so, the team plays a critical role in securing the economic and social infrastructure that will enable economic growth both in (a) identifying priorities for infrastructure investment and in (b) securing and attracting investment to those priorities.

Current procurement arrangements	Provider	Contract Period	Contract Value
Broadband Delivery	BT	To June 2016	£21.5m
No Use Empty Specialist Advice and PR contract	Connect 2 Kent – advisor FTI Consulting (PR)	Rolling	Up to £99k per annum £27.6k per annum

Case Study - Kent Film Office

Over the past financial year, the Kent Film Office has dealt with over 600 separate filming requests working with a number of productions from local news projects and students at Kent universities to Hollywood Blockbusters like Into the Woods, Avengers Age of Ultron, Tulip Fever, as well as Alan Bennett's Lady in the Van, Wolf Hall and Romeo and Juliet Bollywood Style.

Current procurement arrangements	Provider	Contract Period	Contract Value
Inward Investment	Locate in Kent	2014 to 2017 subject to review of performance	£625k per annum
Foreign Direct Investment	Locate in Kent	2013-2016	£150K per annum
Visitor Economy Support	Visit Kent	2014-2017	£280k per annum
Food production economy support	Produced in Kent – Joint Venture	Rolling	£60k per annum
Expansion East Kent Project Appraisal	Pricewaterhousecoopers LLP	To be re-procured from 2015-2016	tbc

Case Study – INSPIRE through Culture

INSPIRE is a cultural education programme that sits within the Kent schools' Olympic Legacy Programme 2012-16. 'INSPIRE through Culture' has innovatively engaged creative and cultural industries to work directly with schools to enable students to learn creative skills and identify potential career paths within the sector. Working with artists using creative techniques students have been able to improve their problem-solving, leadership and social skills and have become better prepared for the 21st century world of employment. In 2013/14, artists ran a total of 182 half-day sessions in a variety of creative and cultural activities and engaged 122 schools, 7000 pupils, 239 teachers/staff, 92 artists and 1000 young leaders.

Case Study - Turner Contemporary

The gallery opened in 2011 and has since welcomed over 1.2m visitors, making it one of the most popular galleries outside London with 90% of visitors rating their visit as excellent or good. The Gallery is one of 12 projects shortlisted as a 'national treasure' in a bid to find the best lottery funded project since the scheme started 20 years ago.

Case Study – Creating Jobs through the Regional Growth Fund

The **Tiger fund** for North Kent and Thurrock has supported the future growth of company '8Point3 Limited', approving loan funding of £200,000, enabling the creation of creating 75 jobs. 8point3 manufacture and deliver bespoke LED lighting solutions to public and private sector.

"We are forging ahead with some really innovate technology and it is good to see the product go to market".

The **Escalate fund** for West Kent and parts of East Sussex has approved a loan of £58,000 to **The Imaging Centre**, which has not only created two jobs but will allow the company to buy a new piece of equipment to improve the volume of printing and folding capacity for their printing business for short run greeting cards.

"It has been extremely useful to get us where we wanted to go a lot sooner than we would have".

The **Expansion East Kent fund** has approved a loan of £100,000 for **Venomtech**, creating seven jobs for the only commercial venom laboratory in the UK, supplying fractionated snake, scorpion and spider venom arrays to the pharmaceutical industry for drug discovery.

“The opportunity to get a 0% unsecured loan for a business is a fantastic opportunity particularly to keep Science in East Kent”.

Case Study - No Use Empty

An old derelict warehouse in the town centre of Dover has been transformed into stunning new apartments thanks to No Use Empty (NUE), an initiative which is helping create new homes by recycling long term empty properties. The old Victorian warehouse on Worthington Street in the centre of Dover had been derelict for over ten years. The current owner was granted an interest-free loan a year ago from NUE to meet the renovation costs required to convert the building into eight luxury apartments, and the project is now complete.

Since the inception of the award-winning scheme, the total number of long term empty properties in Kent has reduced from 9,000 to 5,847. NUE has awarded £11m of secured short term (3 years) interest free loans leveraging in £16m from the public/private sectors. Kent has also received £5.4m in New Homes Bonus which is attributed to the net reduction in long term empty homes over the last 4 years. For every £1 spent on administering the initiative, this translates to £20 being spent in the local economy, with £5m (45%) of funding advanced already repaid and recycled. The initiative has also helped to create/safeguard over 600 jobs.

Did You Know?

- In 2014/15, we attracted £127m in Round 1 and £19m in Round 2 of SE LEP Local Growth Fund monies to support the development of economic and transport infrastructure throughout Kent and Medway.
- Over 69,000 homes and businesses have so far benefited from the Kent and Medway BDUK Project who would otherwise have been left with no or slow broadband
- The Turner Contemporary gallery has welcomed over 1.2m visitors since its opening in 2011, making it one of the most popular galleries outside London and helping to generate £32 million for the local economy through tourism and inward investment.
- 100,000 ballot entries were received for the 20,000 tickets offered by 115 businesses involved in the Kent Big Weekend
- There were 262 entries into the 2014 KEiBA awards – well above the figure only 5 years earlier in 2009, when there were 188 entries.
- During the year, 611 empty properties were brought back into use across the County through the No Use Empty initiative and also levered in £5.9 million of public/private sector funding
- In 2014-2015, the Kent Film Office generated over £6 million spend into the county’s economy
- In 2013-14, the Arts and Culture Team leveraged £5.4 million into the arts and culture agenda and organisations of Kent (excluding Turner Contemporary)
- 70 entries were received for the Kent Design and Development Awards. The overall Project of the Year (*name*) was voted from the category winners on the night by more than 150 guests.
- In 2014/15, Kent’s three Regional Growth Fund schemes created or safeguarded a total of 1,583 jobs by providing access to finance to growing businesses

Environment, Planning and Enforcement

Who We Are & What We Do

This division delivers strategic and frontline services that are fundamental to the future prosperity of the county, its residents, businesses and visitors. Our work helps to support economic growth, increase the prosperity and viability of our businesses, and improve the quality of life in Kent for its residents. We work with partners locally, nationally and internationally to ensure the interests of Kent are represented and understood, and support, promote and encourage the social and economic activity of people in Kent through our planning, public protection and environmental services. Our services are delivered by the following teams:



How We Deliver

Environment, Planning & Enforcement's services are largely provided in-house and contain the following:

Planning Applications

We are responsible for the determination of planning applications for minerals and waste developments in the County and for Kent County Council's own developments (such as schools, care facilities, country parks, etc), along with providing pre-application advice, monitoring and planning enforcement to deliver high quality development. We also have a statutory responsibility for preparing the Minerals and Waste Local Plan that sets the framework for planning decisions for the next generation.

Strategic Planning and Policy

We seek to influence Government planning and transport policy to secure support and funding for essential strategic transport infrastructure. We work with the South East LEP and develop transport schemes to support growth. We work with Districts to influence local planning in order to ensure provision and delivery of KCC policy, services and infrastructure. We work with partners to fulfil our statutory role to respond effectively on flood risk issues in Kent and to develop and fund the delivery of flood management schemes. We provide expert biodiversity, landscape and historic environment advice to KCC services, and by agreement, to District Councils, Medway and others in Kent. We maintain the Historic Environment Record and promote the involvement of communities in archaeology.

Countryside, Leisure & Sport

We provide a strategic commissioning and co-ordinating role for sport and recreational activity for Kent residents; promote the Explore Kent brand to develop and maintain quality information for outdoor activities in order to improve the health and wellbeing of residents and support the Kent economy; manage 17 Kent Country Parks to protect and improve access to the countryside; coordinate/lead the Countryside Management Partnership Service across Kent & Bexley to link communities and countryside through improvement, access and learning; and oversee the KCC approach to volunteering. Our services are delivered in-house but with significant external funding:

Service	Nature of Funding
Sport and Physical Activity	36% KCC-funded/64% Sport England-funded
Kent Country Parks	72% cost neutral to KCC
Explore Kent	87% cost neutral to KCC
Countryside Management Partnerships	Costs KCC £89k to deliver a turnover of £2.1m

Case Study - Getting Kent Running

The award-winning Run Kent project, launched in February 2012 aims to increase adult participation in recreational running. A network of beginner friendly running groups has so far resulted in the recruitment of 120 Run Leaders, over 80 community-based running groups set up and over 4000 'new runners' joining a registered running group; 1,800 in 2014 alone. The initiative is community focused with a strong social element to the running sessions which are open to all. Runners are able to participate in 25 safe running routes within Country Parks, along sea walls, in forests and parkland or 11 'parkruns' (free weekly timed 5km events) which are supported and promoted by Run Kent.

Case Study - Kent Country Parks

Dennis has worked as volunteer at Shorne Woods for 8 years. Now, aged 85, he comes to the park every day to tend the Sensory Garden which is his pride and joy and greatly admired by our visitors. For the staff at Shorne Woods, he is part of the team, and for Dennis the opportunity to engage in a worthwhile activity while enjoying the company of the staff gives him a purpose he relishes. The contribution that Dennis makes to the park is immense – as well as tending the Sensory Garden, Dennis can often be found washing up in the kitchen or replenishing stocks in the café!

The close relationship between Dennis and the staff came to the fore late last year when Dennis didn't arrive at the park one day, as expected. Staff were so concerned so went to his home after he couldn't be reached on the phone. The Emergency Services had to be called as Dennis had collapsed at home, and needed a spell in hospital. We are delighted to say that Dennis has made a full recovery... we've had to carefully manage his return to work, to ensure he's not over-doing things, but if you want to meet him, you'll find him back in the Sensory Garden at Shorne Woods.

Public Protection

We manage, maintain and develop the Public Rights of Way network. We run the Trading Standards service protecting consumers and legitimate business against rogue trading; protecting public health, preventing dangerous consumer goods entering the market, working to remove substances hazardous to health such as new psychoactive substances, and ensuring the safety of the food chain through monitoring the source, labelling and management of food products. We lead and co-ordinate delivery of stronger and safer communities in Kent, manage the Community Warden

Service and undertake Domestic Homicide Reviews. We support and co-ordinate the Kent and Medway Coroner Service and manage 10 local authority Gypsy and Traveller sites. Through Kent Scientific Services we deliver scientific and calibration services to local authorities, and other customers including port authorities, and private industry. We are responsible for Kent's resilience and are part of an integrated Kent Resilience Team with Kent Fire and Rescue Service and Kent Police.

Case Study - Community Warden Service

Mr F had been drawn in by Scam Mail regarding a lottery win. Working with the bank and Mr F the Community Warden changed his bank account. The warden also changed his telephone number, arranged withheld number, caller display, telephone preference services. The warden also contacted the Mail Preference Service to filter out scam mail and made a referral to the Fraud Squad. Subsequent visits found Mr F involved in other scam activity involving vitamins and pills. Due to health concerns for Mr F, the doctor was contacted and a home visit was carried out to check the pills. A box has been made for all the scam mail to go in to pass on to Trading Standards. The wardens are making continued visits and welfare checks to Mr. F to monitor his situation.

Case Study – Thwarting rogue gardeners

The perennial problem of rogue gardeners preying on vulnerable householders was highlighted by recent convictions for fraud and money laundering following their targeting of victims in East Kent. Trading Standards Officers intervened when the son of one of their victims, aged 93, made contact about the gardening work being carried out. Arrests followed and evidence later showed that rogue traders had defrauded in the order of £20,000 from that victim, as well as similar sums from other victims.

As well as securing the evidence for the conviction, Officers sought to protect the victims from being targeted in the future. The initial victim was put in touch with a Trading Standards approved gardener for his future gardening needs and was also provided with a "Truecall" telephone device to block unwanted telephone sales cold calls. The rogue traders are due to be sentenced at Canterbury Crown Court on 17th April.

Sustainable Business and Communities

We develop, deliver and manage the Kent Environment Strategy, KCC's Environment Policy and ISO14001. Working with public sector partners we help residents, businesses and the public sector be more resource efficient and save money, reduce negative environmental impacts, protect and enhance our natural environment and ensure Kent is resilient to the impacts and make the most of the opportunities from climate change.

Through our KCC Energy Loan Fund and work on transport and travel we help KCC cut the cost of energy use and business mileage as well as meeting our Carbon Reduction Commitment obligation. We support residents, especially the vulnerable to cut their heating and water bills and have warmer homes.

We provide assistance and grants to business in Kent to improve competitiveness and stimulate growth in the low carbon environmental goods and services sector, and support growth in key sectors' supply chains, such as offshore wind. Through our Severe Weather Impacts Monitoring tool (SWIMS) and our work with 'at risk' communities, we support Emergency Planning and the Kent Resilience team to increase resilience of our services, economy and communities to severe weather events and deliver the recommendations of the Winter Floods Cabinet paper.

Case Study - Low Carbon Growth

The Sustainable Business and Communities Team secured EU funding in order to offer local businesses based in Kent and Medway £1 million in grants (worth £1k-£20k each) to enable them to expand and develop in the low carbon sector. Swift Energy UK Ltd, a Sittingbourne business specialising in wood pellet manufacture for wood fuel, was awarded a grant of £20,000 in December 2014 towards the cost of purchasing a delivery vehicle to enable them to deliver the wood fuel to their customers, pneumatically, in a purpose-built vehicle. The company were able to create two extra jobs (fte) as well as increase their GVA by £200,000 per annum. This then put the company in a position to access an additional £750k of funding through the TIGER Regional Growth Fund scheme. Low Carbon Plus has levered in additional private sector match funding in of excess of £1.5m.

Kent Downs Area of Outstanding Natural Beauty

The purpose of the Kent Downs Area of Outstanding Natural Beauty (AONB) is to conserve and enhance the natural beauty of the landscape and the Kent Downs, including the chalk hills of the North Downs and parts of the Greensand Ridge, Lympe escarpment and Romney Marsh. The Kent Downs AONB Unit supports Kent County Council and 11 other Local Authorities to prepare and review the statutory AONB Management Plan and deliver the Action Plan. The Unit secures significant external funding to care for this much valued landscape.

Did you know?

- Each year we process planning applications for around 330 developments including minerals, waste management facilities, schools, care facilities, children's centres and country parks.
- We have provided £1m of grants to low carbon and environmental businesses in the last year
- We manage over 4,400 miles of public rights of way including 2,400 bridges and over 30,000 other assets such as signposts, gates and culverts, with an asset value of c£86million.
- Explore Kent is all about getting active outdoors. This KCC led campaign has the second most influential Twitter account in Kent just behind BBC Kent with 11,000 followers
- 361 runners took part in ParkRun at Shorne Woods Country Parks on January 1st 2015, the highest number of 'Park Runners' ever recorded on a Kent site
- In 2014-15, 902 chronic scam victims were visited, educated about scams and provided with long term support where necessary
- 600,000 consumer searches have been carried out for Trading Standards Approved traders since the launch of our partnership with Check-a-Trade in September 2014. The scheme has 1163 trade members.
- Approx. 46% of the deaths in Kent and Medway are referred to the Coroners Service each year
- In 2014 we recruited and trained a further 70 volunteer Countryside Access Wardens
- The majority of the Wardens' work comes directly from the public but did you know that the community wardens worked with and supported KCC services in approximately 5,000 activities last year, working with Trading Standards, Highways, Education/Schools, Integrated Youth Services, Children's and Adults Social Services, Integrated Youth Service and Libraries

Case Study - Emergency Planning

The Resilience and Emergencies Unit has worked to implement a range of innovative and practical measures to enhance KCC (and Kent's) emergency preparedness to protect residents and businesses. This includes the launch of a 300 strong 'Emergency Reservist' incident response team which has been singled out for praise by the Government as best practice. A new state of the art County Emergency Centre has been installed which is already benefitting planning, training and operational response activities. 160 wardens have been trained for communities at risk from flooding (including 24 KCC Wardens). We also have 49,407 sand bags and flood sacks ready for operational deployment across Kent in the event of flooding or other emergencies.

Highways, Transportation and Waste

Who We Are & What We Do

The Highways, Transportation and Waste division (HTW) delivers services that are used by most if not all residents in Kent and those who travel through it. Our core purpose is:

- Maintain and improve the County's 5,300 miles of roads, 4,000 miles of footways and other assets such as street lights and drains that support their safe use by all, improving road safety for all users, managing traffic flows to ease congestion, working with others to provide viable alternatives to the car as well as delivering major projects and managing development in key areas of growth.
- Processing and dispose of household waste and recycling collected by the twelve district and borough councils in Kent, to provide a Household Waste Recycling Centre (HWRC) service to residents, encourage the use of waste as a resource to reduce waste to landfill, manage closed landfill sites to prevent pollution and enforce against environmental crime relevant to KCC waste services.

HTW delivers services through six business units and these are set out below:



How We Deliver Highways, Transportation & Waste's Services

Highway Operations

We help everyone to make safe and reliable journeys on Kent's highway network. We achieve this by regularly inspecting all roads and footways, repairing faults and damage quickly, responding to highway emergency situations 24 hours a day / 365 days of the year, including winter gritting and other severe weather response, resolving faults reported by customers, engaging with local communities, Parish and District Councils, managing and coordinating all roadworks to minimise disruption, keep people informed on incidents that may affect their journey.

Service	Provider	Contract Period	Contract Value
Highways Term Maintenance	Contract- Amey PLC	September 2011 to March 2021*	£50m

* subject to performance

Programmed Works

We improve the condition and prolong the life of the highway, by delivering all programmed maintenance and repairs to the roads, footways, structures, street lights, drainage systems, soft landscapes and traffic signals.

Service	Provider	Contract Period	Contract Value
Traffic Signal & Systems	telent	Ends 2016	£1.5m
Road Resurfacing	Eurovia	Ends 2018*	£4m

* subject to performance

Case Study - Drainage

Following the flooding experienced in winter 2013/14, Highways Transportation and Waste secured additional funding to deliver a programme of 120 highway drainage improvement schemes. Recent work in West Kingsdown included a new drainage system installed on London Road; the scheme improved highway safety on a busy main road and protected nearby homes which had previously been flooded by surface water. In Rodmersham a new soak away was installed making a busy lane that was frequently flooded, passable once again for the nearby village residents. Finally, in Swanscombe a new pumping station was installed to resolve a long standing flooding problem that had badly affected local businesses on a busy industrial estate (this is due for completion in March).

Transportation

We plan and improve our highway network to help the Kent economy grow and to ensure that it is as safe and efficient as possible. This includes assisting developers in minimising the impact of their proposals on the travelling public, planning transport to help the Kent economy grow, delivery of major capital improvements and local growth fund schemes, ensuring projects funded by others meet highway standards, casualty reduction, sustainable transport and congestion relief.

Service	Provider	Contract Period	Contract Value
Technical and Environmental Services	Amey PLC	April 2013 to March 2023*	£4m

* subject to performance

Case Study - Road Safety

The cost / benefit to society for saving one fatal road casualty in the South East is estimated by Government at c.£1.8m. The Road Safety Team seeks to influence behaviour through education and delivers messages aimed at specific target groups. Recognising that young people (aged 16-24) make up a quarter of all car occupants killed and seriously injured, we developed the **Speak Up** campaign. Delivered annually, it's designed to influence young driver behaviour through encouraging passengers to Speak Up if they feel unsafe. Evaluation shows 69% of the target group recall the campaign, 80% agreed they would now act in line with the campaign message and, critically, young car occupant KSIs have reduced by 55%, against the base line average from 2004-08.

Unsolicited feedback on the campaign Facebook page includes comments from young passengers who have suffered life changing injuries, like Alaina: 'This is such an important message. I was involved in an RTA, I lost 2 friends and was badly injured. People don't realise how dangerous our roads can be and of course drivers and other drivers. This is such a great campaign, I support it 100%. Even if it saves 1 life it's worth it.'

Public Transport

We enable access to education, health and community services for diverse users across Kent, through the planning, procurement and management of public transport services. This is achieved by managing the subsidised bus services, delivering KCC's statutory and discretionary transport provision, arranging transport for schoolchildren and other young people and adults being provided with care by the Council. We issue the Young Person Travel Card, deliver a free bus pass for older and disabled people, support Kent Community Transport and provide information about bus times and routes. We also provide transport-related services to other local councils, transport operators and other businesses.

Service	Provider	Contract Period	Contract Value	
SEN Home to School Transport	Various	All have various contracts end dates aligned with financial years	£20.2m	
Mainstream Home to School Transport	Various	All have various contracts end dates aligned with financial years	£9.3m	
Socially Necessary Local Bus Contracts & Bus Service Operators Grant (BSOG)	Arriva	Various contracts end dates aligned with financial years	£1.3m	£7.6m total
	Stagecoach		£2.2m	
	Chalkwell		£636.1k	
	Go-Coach		£493.7k	
	Regent		£538k	
	Nu-Venture/Invictabus		£874.3k	
	Other operators/ LAs		£1.6m	
Socially Necessary – Kent Karrier/Dial a Ride contracts	Compaid	Various contracts end dates aligned with financial years	£163k	£704k total
	Chalkwell		£286.7k	
	Regent		£185k	
	Others		£69.1k	

Waste Management

We help people to manage their waste and encourage the use of waste as a resource in synergy with economic and housing growth in Kent. This includes partnership working with District Councils in order to plan sustainable growth, to encourage waste prevention, recycling and composting, managing Household Waste Recycling Centres, gaining maximum value of materials to underpin the costs of the service, managing closed landfill sites to prevent pollution, as well as working with other agencies to deter environmental crime.

Service	Provider	Contract Period	Contract Value
Allington Waste to energy	KEL	2006 to July 2030	£30m
Management of 12 Household recycling centres and 3 transfer stations	Biffa	Nov 2014 to Nov 2020 - plus extension of 6 yrs.	£4.4 m
Pepperhill - Household Waste Recycling Centre and Transfer Station	FCC	2008 to 2035	£2.6m
Dartford Heath, Swanley, Tovil - Household Waste Recycling Centre and Transfer Station	John Slattery Ltd	2013 to July 2019	£1m
North Farm and Dunbrik	Commercial Services	New M.O.U. being procured.	£2.6m
Blaise Farm - Green and organic waste	New Earth Solutions	Three contracts end 2020 and 2024 with further extensions possible.	£1.8m
Ridham Docks - Green and organic waste	Countryside	Ends 2020	£1m
Waste to Landfill	Shelford Canterbury: Virodor	New contract being procured potentially £47m contract over 5 years + 2 period	£4.5 m
	Waste to landfill at Redhill: Biffa		£700k
	Waste to landfill at Pitsea: Veolia		£500k

Mystery Shopping in Household Waste Recycling Centres (HWRC)

In late 2014, KCC Waste Management and Biffa (HWRC contractor) procured a Provider, ABa, to undertake a programme of Mystery Shopping across the HWRC network. The main aims were to monitor levels of customer service and enable more effective contract management. Four mystery shops are undertaken at each HWRC every month. Each shop tests several elements of the HWRC service: access standards, operating policy adherence and customer service. There is also an option for assessors to ask an enquiry question to test the knowledge of HWRC site staff concerning a particular topic, e.g. material restrictions.

The results are published on a dedicated website, which can be accessed by both KCC Waste Management staff and KCC's HWRC Contractor. The partnership approach has enabled all parties to use the data to monitor customer service across the sites, identify areas of improvement and celebrate successes; each site manager has access to the data first hand and is able to liaise with ABa to analyse and scrutinise the data in more detail. This information will also be used to set future performance targets for HWRC providers, moving forwards.

Commercial Management

We deliver improvements in all commercial activity and performance across HT&W, (includes bids for additional funding, co-ordinating financial monitoring against targets, contractual compliance, managing the internal and external supply chain, performance management, business risk and continuity plus recovery of income and co-ordination. Our services are provided in-house.

Case Study – Improving the Customer Experience

An on-line fault reporting tool has been developed over the last few years to encourage a ‘digital by design’ approach for customer to report routine problems on the highway. Customers can see if the fault has already been reported or we have works planned and they can track the progress of their fault at key points along the customer journey from our inspection to raising a repair job to completing the work on site. This online tool has grown to now report 40% of all customers’ faults by this very cost effective method of contact. We are working on the next stages of improvement to increase this even higher. We plan to launch this new improved fault reporting tool and other improvements to the HT&W website content during the coming year.

Did You Know?

- We regularly inspect over 5,300 miles of roads and 4,000 miles of footways
- In adverse weather we have 60 vehicles salting 30% of the road network on Kent
- We receive over 200,000 contacts from customers each year to report a fault or request services
- We support over 200 bus routes across the County, issue 30,000 travel passes for young people and 280,000 concessionary travel bus passes for the elderly and disabled.
- We maintain 10 million square metres of grass and 55,000 trees.
- We inspect and repair 2,700 bridges and structures and two road tunnels, 120,000 street lights and over 700 sets of traffic lights
- Each year we manage over 700,000 tonnes of municipal waste
- We help transport 50,000 school children each day
- We look after 18 Household Waste Recycling Centres, with over 3 million visits per year recycling over 70% of the material received

Libraries, Registration and Archives

Who We Are & What We Do

We work with all the people of Kent to deliver library, registration and archive services that support local people throughout their lives. Our services are open to everyone, but also targeted to help those who most need our offer. Through our services, people improve their literacy and foster a lifelong love of reading; are supported in finding information, developing the skills to use online channels and becoming more active citizens; register key points in their lives and the lives of their families; and come together to form strong community ties. We deliver Library and Registration functions as required under statutory regulations.

Case Study - Work Clubs and Career Advice Sessions

Bill in his early 50s had been unemployed for 6 months after being redundant after 11 years with the same employer. He was referred by the local Job Centre Plus and came looking for information on local training courses and current vacancies. He found the library a nice, welcoming environment and the staff and volunteers very knowledgeable. After “struggling for so long on my own,” Bill said “without the support received at the Club, I wouldn’t be attending an interview tomorrow”.

Other users have been equally positive:

“I [learned] how to apply for jobs on computer via online at my local library”

“I feel I have support where before I felt so alone”

I “get support with the computer and develop new skills when using web to search for employment. I will apply for more varied jobs, and be more confident about my abilities”

I am “using the computer skills I have learned to work on my own job searches”

“I learnt more in my first 2 hours here than all of my visits put together at the job centre”

How We Deliver

These services are currently delivered in-house but this may change, as per our Service Redesign plans detailed in Section B.

Case Study - Wellbeing zones in Kent Libraries

Working with KCC Public Health, Libraries, Registration and Archives (LRA) are piloting wellbeing zones in libraries which serve communities with significant health inequalities. Eight locations have been identified- Cheriton, Dover, Ramsgate, Margate, Sittingbourne, Tonbridge, Larkfield and Gravesend. Wellbeing Zones will offer a one-stop shop for health and wellbeing information.

Expected benefits include:

- Opportunity to promote LRA resources to support health and wellbeing and widen public awareness of our services
- Increased footfall as partners will proactively promote Zones
- Increased book issues
- Enhanced offer to the public
- Health prevention and signposting to further information
- Showcasing libraries as venues for delivering community services
- Enhanced partnership with Health and other organisations
- Enabling Public Health to reach people who do not currently engage

Did You Know?

- On average customers borrow over 16,900 books, e-books, audio books and e-audiobooks from our libraries every day.
- We deliver services to the public through 99 libraries, 11 mobile libraries and 6 register offices, some library services for Medway libraries, Prison Library services for 6 Prisons and 1 Immigration Removal Centre and Registration services for the London Borough of Bexley, all under contract.
- Over 4,000 people contact us online every day to book appointments; use our online information sources; look at the library catalogue; renew their loans etc.
- Customers spend over 640,000 hours per year using our free public computers and wifi to access the internet.
- We help local people register over 31,000 births and deaths every year.
- We delivered 17,576 Bookstart packs at birth registration and 23,704 Treasure Packs to children aged between 3 and 4 years through nurseries, reaching 100% of children in Kent to support them and their families with reading and literacy. (2013/14 figures)
- More than 15,800 children took part in the Summer Reading Challenge in 2014 (a 20% increase on 2013) and over 7,900 children completed the six book challenge (a 35% increase on 2013). Children that took part received stickers, and a medal and certificate if they completed the challenge.
- We conduct over 6,000 civil ceremonies (marriages, civil partnerships etc.) every year.
- We will have helped customers' access archive materials by providing over 10,800 documents during 2,500 visits to the Kent History Library Centre and by over 10,000 hits to the History Source website.
- With the support of volunteers we deliver collections of books and audio visual materials to 1,500 home library service customers; and send audio books to over 1,100 blind and partially sighted customers.

Case Study - Dementia Friendly Libraries in Kent

It is proven that reading and reminiscence through books and other materials has a positive effect on people living with dementia and their carers, particularly in stimulating memory and providing enjoyment. We have actively involved people with dementia and their carers to help us to:

- develop a Library Offer welcoming people with dementia and their carers to access LRA services
- provide information and signposting
- train staff and volunteers
- raise awareness in Kent's Communities, KCC Dementia Friendly Communities Team and at national level

Libraries hold collections of the recently launched Reading Well Books on Prescription for dementia scheme which offers recommended reading to improve people's awareness and understanding of dementia in its various forms. The Reading Agency took photos of the Canterbury Library Read Aloud Group for national launch publicity

G. Directorate Organisational Development Priorities

As KCC becomes a strategic commissioning authority, it is important that our Organisational Development priorities reflect the outcomes we need to achieve. As our services become increasingly focused on meeting needs most efficiently, we will depend on outstanding financial, operational and delivery skills so that we can exploit new ways of working through the best use of technology and achieve value for money in everything that we do.

KCC's workforce and organisational development priorities for 2015/16 are set out in the Council's **Organisation Development Plan**. This will help us to plan and develop a workforce that is flexible, adaptable to change and has the mindset, knowledge, skills, behaviours, competencies and capacity to deliver transformation. GET has contributed towards the development of the KCC workforce and organisational development priorities and see these as crucial to delivery.

Organisational Development - Directorate Priorities

The following priorities have been identified for GET through KCC's OD Directors' Group and GET's Organisational Development Group:

1. **Commissioning** – Support managers and staff to embed 10 Commissioning Principles and adopt Commissioning Toolkit.
2. **Programme and project management skills** – Implementation of a KCC competency framework.
3. **Commercial acumen** – defining the skills and developing a private sector mind-set; helping staff to think in a more commercial way and think differently about how they deliver and procure services.
4. **Leadership and Management Development** - Increasing our leadership and management capability. Using evaluation data to inform future decisions, e.g. skills gaps, resourcing priorities, behavioural change, including active support of the Future Managers Programme for eligible GET staff.
5. **Apprenticeships and Graduates** - GET will look to increase the number and type of apprenticeships in the directorate.
6. **Resourcing** – specifically workforce planning and targeted recruitment to address skills shortages and hard to recruit roles, including talent management and succession planning.
7. **Professional development** – ensuring that we continue to have the essential professional training and development for our staff.
8. **Self-Sufficiency** – ensuring that staff and managers are equipped to support KCC's policy of 'doing more for ourselves' and deal positively with change and pressures of delivering continuous improvement in challenging budgetary circumstances by building skills, confidence and flexibility and cultural change.
9. **Organisational Design** – provide managers the methodologies, advice and guidance they need to maximise the benefits of this process for the directorates Service Redesign programmes.
10. **Customer service** – support staff and managers to develop the necessary behaviours and skills to achieve the outcomes of the Customer Service Review and embed Customer Policy principles.
11. **Facilitated sessions and support** for new teams coming together to form new services and in doing things differently.

H. Directorate Risks

GET has identified a hierarchy of risks. Some relate to corporate risks. Some are of relevance and importance GET-wide whilst others are appropriate at the individual Directorate level. Each risk has its own mitigations which are reported to DMT quarterly.

Summary Risk Profile

• Low = 1-6	Medium = 8-15	High =16-25
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Risk Title	Current Risk Rating	Target Risk Rating
Corporate level risks		
Access to resources to aid economic growth and enabling infrastructure	12	8
Civil contingencies and resilience	12	8
Directorate level risks		
Delivery of budgets targets	15	10
Health & Safety considerations	10	10
Partner organisations/contractors not offering the required level of service	6	6
Ash Dieback	12	9
Response and resilience to severe weather incidents	15	8
Skills shortage and capacity issues to apply for funding and manage contracts and projects	12	6
Loss of ICT and telephone systems	tbc	tbc

I. Directorate Performance Indicators

Each Directorate produces a regular report of performance against targets set for Key Performance Indicators and monitoring of activity against expected Upper and Lower thresholds. This is set out in a Directorate Dashboard which is regularly reviewed by the relevant Cabinet Committee. A selection of the Key Performance and Activity Indicators are also reported each quarter in the Council wide Quarterly Performance Report.

The Targets for Key Performance Indicators and Activity Thresholds for 2015/16 for the Growth, Environment & Transport Directorate are outlined below.

We are in the process of developing a suite of indicators that will support the outcomes of our Customer Service Review, particularly our ambition that all appropriate aspects of our services become 'digital by design' which will be reflected in indicators that address take-up of and satisfaction with our services' online facilities.

Performance Indicators relating to Customer Service

Ref	Indicator Description	2014/15 Target	2014/15 Actual ¹	2015/16 Floor ²	2015/16 Target
HT02	Routine faults/enquiries reported by the public completed in 28 calendar days	90%	88%	80%	90%
HT04	Customer satisfaction with routine Highways service delivery (100 Call back survey)	75%	83%	60%	75%
HT08	Customer satisfaction with completed local 'schemes'	75%	74%	60%	75%
WM04	Customer satisfaction with Household Waste Recycling Centre Services (on-line and face to face)	90%	<i>tbc</i>	85%	90%
LRA04	Average number of online contacts to Libraries, Registrations and Archives per day	3,500	2,629	2,600	2,800
LRA06	Customer satisfaction with Birth and Death Registration	95%	94%	90%	95%
LRA07	Customer satisfaction with ceremonies	98%	99%	90%	98%
LRA08	Customer satisfaction with Libraries and Archives	93%	94%	90%	93%

¹ 2014/15 figures are provisional at time of printing and are up to December 2014/January 2015. Therefore they will be updated accordingly when full end of year results are available.

² 'Floor standard' is the minimum level of acceptable performance.

The following Performance Indicators will also be included to reflect our Digital by Design agenda, showing the percentage of transactions completed online. Satisfaction indicators relating to them will follow:

Ref	Indicator Description	2014/15 Target	2014/15 Actual	2015/16 Floor	2015/16 Target
HT**	Report a Highways fault	N/A	35%	25%	40%
HT**	Apply for a Young Person's Travel Pass	N/A	70%	60%	75%
HT**	Apply for a Concessionary Bus Pass	N/A	8%	10%	25%
HT**	Highways Licence applications	N/A	35%	30%	40%
HT**	Apply for a HWRC recycling voucher	N/A	85%	80%	85%
HT**	Book a Speed Awareness Course	N/A	72%	65%	75%
EP**	Percentage of PROW faults reported on-line (year to date) NEW	N/A	48%	48%	50%
LRA**	Renew a library book	N/A	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>
LRA**	Book a Birth/Death Registration appointment	N/A	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>

Activity Indicators relating to Customer Service

Ref	Indicator Description	Threshold	Q1	Q2	Q3	Q4	2015/16 Expected
HT05	Total number of contacts received from the public for HTW services	Upper	55,000	55,000	65,000	65,000	240,000
		Lower	45,000	45,000	50,000	50,000	
HT06	Number of enquiries raised for action by HT&W	Upper	25,000	25,000	35,000	35,000	120,000
		Lower	20,000	20,000	25,000	25,000	
HT07a	Work in Progress at any point in time (open routine enquiries) for H&T services	Upper	2,500	2,500	3,500	3,500	N/A
		Lower	1,600	1,600	2,100	2,100	
HT07b	Work in Progress at any point in time (non-routine enquiries) for H&T services	Upper	5,800	5,800	6,300	6,300	N/A
		Lower	4,200	4,200	4,800	4,800	

Performance Indicators Relating to Business Activity

Ref	Indicator Description	2014/15 Target	2014/15 Actual	2015/16 Floor	2015/16 Target
HT01	Potholes repaired in 28 calendar days	90%	90%	80%	90%
HT03	Street lights repaired in 28 calendar days	90%	88%	80%	90%
ED**	Jobs: Jobs created/safeguarded through RGF jobs committed numbers NEW This KPI replaces ED01, ED02 and ED03	N/A	1,583	TBC	1,189
ED**	Homes: units brought back to market (through No Use Empty) NEW	N/A	550	500	580
ED**	Businesses: Businesses supported, via any programme (including LiK, Visit Kent, PinK, other KCC programmes) NEW	N/A	tbc	tbc	tbc
ED**	Investment: External investment secured against total external investment sought NEW Replaces ED04	N/A	tbc	tbc	tbc
ED**	Infrastructure: developer contributions secured against total contributions sought NEW	N/A	tbc	tbc	80%
WM01	Municipal waste recycled and composted	46.5%	48.5%	44.5%	49.9%
WM02	Municipal waste converted to energy	39.5%	39.4%	37%	41.7%
WM03	Waste recycled and composted at Household Waste Recycling Centres (HWRC)	71.8%	71.4%	70.3%	71.8%
EPE02	Rogue traders disrupted by Trading Standards	30	30	20	30
EPE03	Dangerous/hazardous products removed from the market	N/A	250,000	6,000 ³	10,000
EPE04	Businesses provided with advice and support from Regulatory Services	1,250	1,700	850	tbc
EPE05	Average PROW fault resolution time (days) – rolling 12 month	50	54	60	50
EPE06	KSS external income	690k	£666.3k	£620k	£690k
EPE07	Income generated by Kent Country Parks	£0.97m	£1.065m	£1.032m	£1.057m

³ EPE 03 2015/16 Floor Standard and Target excludes goods seized at Dover Docks

Ref	Indicator Description	2014/15 Target	2014/15 Actual	2015/16 Floor	2015/16 Target
EPE08	Volunteer Hours deployed in Kent Country Parks	13,000	13,900	9,000	11,000 ⁴
EPE09	Sport and Physical Activity Income levered into county	£2.5m	£2.593m	£1.5m	£2.75m
EPE10	Participation of young people aged 11-25 in programmes coordinated by Sport and Physical Activity Service	2,417	2,417	2,000	2,743
EPE**	KCC investment/spend ration generated on projects delivered by Countryside Management Partnerships NEW	N/A	<i>In development</i>		
EPE**	Indicator on Climate Change to be developed	N/A	<i>In development</i>		
LRA03	Average number of eBooks issued per day	250	313	300	340
LRA05	Number of ceremonies conducted by KCC officers, including Bexley	5,300	5,446	4,500	6,000

Activity Indicators Relating to Business Activity

Ref	Indicator Description	Threshold	Q1	Q2	Q3	Q4	2015/16 Expected
WM05	Waste tonnage collected by District Councils	Upper	tbc				N/A
		Lower	tbc				N/A
WM06	Waste Tonnage collected at KCC Household Waste Recycling Centre	Upper	tbc				N/A
		Lower	tbc				N/A
LRA01	Number of visits to libraries (including mobile libraries) - 000's	Upper	1,340	1,440	1,260	1,155	5195
		Lower	1,210	1,310	1,140	1,045	4705
LRA02	Number of books issued (includes eBooks and audio books) – 000's	Upper	1,207	1,480	1,260	1,260	5207
		Lower	1,090	1,340	1,140	1,140	4710

⁴ The 15/16 target is lower this year because the 'Randall Manor Project' will not be running this summer.

APPENDIX A

Local Growth Fund Priority Schemes for Kent and Medway from 2015/16

Project	LGF allocation (£m)
Round 1: Committed	
M20 Junction 10a	19.70
A289 Four Elms Rbt to Medway Tunnel JTI	11.10
Strood Town Centre JTI & Accessibility	9.00
Kent and Medway Growth Hub	6.00
West Kent LSTF	4.89
Kent Strategic Congestion Management programme	4.80
Maidstone Gyratory Bypass	4.56
Kent Thameside LSTF	4.51
A226 London Rd/ B255 St Clements Way	4.20
Rathmore Road Link, Gravesend	4.10
Chatham Town Centre place making and public realm	4.00
Kent Sustainable Interventions programme	3.00
Sittingbourne Town Centre Regeneration	2.50
Medway Cycling Action Plan	2.50
Tonbridge Town Centre Regeneration	2.37
M20 Junction 4 Eastern Overbridge	2.19
Medway City Estate connectivity improvements	2.00
Maidstone sustainable access to employment areas	2.00
A26 London Rd/ Speldhurst Rd/ Yew Tree Rd, Tun Wells	1.75
Kent Rights of Way improvement plan	0.90
Folkestone Seafront	0.50
North Deal transport improvements	0.75
A28 Sturry Road integrated transport package	0.25
Round 1: Provisional	
A28 Chart Road	10.20
Maidstone Integrated Transport	8.90
Sturry Link Road	5.90
Thanet Parkway	10.00
Round 2: Provisional	
Dover Western Docks	5.00
Folkestone Seafront	5.00
Rochester Airport	4.40
Westenhanger Lorry Park	3.00
Ashford Spurs	2.00
<u>Total Round 1</u>	<u>132.57</u>
<u>Total Round 2</u>	<u>19.40</u>
<u>Total all projects</u>	<u>151.97</u>

From: Mark Dance, Cabinet Member for Economic Development
Barbara Cooper. Corporate Director, Growth, Environment and Transport

To: Growth, Economic Development and Communities Cabinet Committee - 14 April 2015

Classification: Unrestricted

Electoral Division: All Divisions

Subject: EU funding Programmes 2014-20 – Kent projects and schedule of Calls

Summary:

This paper provides an updated pipeline of potential EU-funded projects (**Annex 1**); information on the new EU funding programmes with a schedule of application dates (**Annex 2**) and details of the Kent projects submitted to the First Call for proposals under the Interreg '2-Seas' programme (**Annex 3**).

Recommendation:

The Growth, Economic Development and Communities Cabinet Committee is asked to (i) note the progress of the European team in identifying projects and developing bids that reflect KCC priorities and (ii) provide its input on further project priorities that might be eligible for European funding.

1. Introduction

- 1.1. In a challenging financial environment, KCC will increasingly need to look to external sources of investment to achieve its strategic outcomes. In this regard, there is significant potential within the South East LEP European Structural & Investment Fund (ESIF) and Interreg transnational cooperation programmes for KCC to secure much-needed external funding.
- 1.2. Most of the new EU funding programmes 2014-20 for which Kent is eligible, are now beginning to come on stream. This paper provides further information on the programmes, together with a schedule of first application dates.
- 1.3. The paper also gives details of the Kent project proposals submitted to the First Call for Projects under the Interreg '2-Seas' Cross-border programme which provided a first opportunity to access new European funding in support of our strategic priorities and corporate outcomes.

2. Delivering our Strategic outcomes and Corporate priorities

- 2.1. The overall objective from this activity is to maximise the county's share of EU funding over the 2014-20 programming period for projects which support

the priorities of KCC's work programme and deliver strategic outcomes with significant benefits for the people of Kent.

Project Pipeline

- 2.2. European programmes cover a seven year period with Calls roughly twice a year. The team is working across KCC to identify priority projects for investment and identifying how these projects can best access European funding and where there are opportunities to leverage further investment.
- 2.3. A project pipeline of potential projects has been developed with County Council and external partners, and will continue to be developed over the course of the European programmes. The latest version of this pipeline is at **Annex 1** and is by priority theme.
- 2.4. The projects are aimed at delivering the following outcomes:
 - **Improved innovation capacity in the county** through support to 'smart specialisation', R&D, new products, goods and services and improved access to finance for SMEs.
 - **Increased employment in the low-carbon and environmental goods and services sector** in support of Kent's Environment Strategy.
 - **Increased international trade and export activity** by Kent's businesses (eliminating a 2% export gap between Kent and the wider South East).
 - **Increased inward investment** to the county with a focus on innovative high value-added businesses.
 - **Business growth and jobs** in support of Kent & Medway's growth plan.
 - **Strengthened international rail connectivity**, including in support of Ashford's regeneration and growth through required investments at Ashford International Station.
 - **Improved educational attainment and skills levels and increased participation and employment**, including apprenticeships, in support of KCC's 18-24 Learning, Employment and Skills strategy.
 - Better outcomes for people across Kent by **maximising people's independence and promoting personalisation** through support for the integration of Health and Social Care Services.
 - **Improved life chances for children and young people** in Kent under the European Social Fund (ESF) programme 2014-20 in support of KCC's Early Years and Childcare Strategy, such as access to childcare or measures in support of Troubled Families programme.
- 2.5. The team is likewise working with Directorates across KCC to identify further opportunities to access European funding to finance projects that will deliver against the **Strategic Outcomes Framework**.

3. The programmes and schedule of Calls

- 3.1. **Annex 2** provides information on the new EU funding programmes for which the County is eligible, together with a Schedule of first application dates and maps of the programme areas.
- 3.2. As can be seen, most of the programmes are seeking First Calls for proposals between **February and May 2015**, with final decisions on projects being made at the end of the year, or early in 2016.

4. First Call for Proposals under the Interreg 2-Seas programme

- 4.1. **Annex 3** provides details of the total of 9 KCC and Kent projects submitted in the form of 'Concept Notes' (Stage 1 applications) to the First Call of the Interreg '2-Seas' programme
- 4.2. The next key stages in the process are as follows:
 - Member States had until **6 April** to make their recommendations on each of a total of 79 stage 1 'Concept Notes' (CNs) submitted to the First Call from across the programme area.
 - A four-Member State 'Task-Force' will determine which CNs should go forward to Full Applications at a meeting in the Netherlands on **15-17 April**
 - Further to our role as a member of the Programme Preparation Group (PPG) KCC will also attend the Task Force meeting with DCLG on behalf of all UK local partners.
 - Successful CNs will be invited to submit a Full Application (stage 2) between **4 May and 13 July**.
 - Project Leaders will be helped in making Full Applications with support from the Programme Secretariat as well as from the European team, including advice on how projects will be assessed, eligibility and wording.
 - Applications will be appraised by the Programme Secretariat between **July and September**, with a recommendation to approve or reject.
 - A Member State Steering Committee comprising representatives from all four Member States will make the final decisions in **October** taking due account of the Secretariat's recommendation.

5. Conclusions

- 5.1. With the two Interreg 'cross-border' cooperation programmes ('2-Seas' and 'Channel') having now been launched, there are further significant upcoming opportunities for KCC. These included the Opening Calls from **20 March** for the SELEP ESIF programme; the two Interreg 'transnational' North West Europe, (NWE) and North Sea Region (NSR) cooperation programmes on **7 and 27 April** respectively and the Interreg Europe 'interregional' programme also during **April**.
- 5.2. We will continue to work across KCC to develop projects that will deliver against the organisation's strategic outcomes, and will highlight the

opportunities available and publicise the Calls for Proposals as they arise, together with more detail on application processes. In this regard, we will also be organising a series of Workshops and additional guidance material for KCC Directorates as the programmes get underway.

6. Recommendation

The Growth, Economic Development and Communities Cabinet Committee is asked to (i) note the progress of the European team in identifying projects and developing bids that reflect KCC priorities and (ii) provide its input on further project priorities that might be eligible for European funding.

Contact details

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Relevant Director

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Potential EU-funded projects in Kent – by Priority Theme

SME Competitiveness

Project Name	Project Theme	Project Funding Stream(s)	Directorate (if KCC) and contact
'ISE' (Innovative Sector Exchange)	Support to SME trade and export	Interreg VA, 2 Seas	GET – Steve Samson
'Trade and Investment'	Inward Investment	South East LEP ESIF/Interreg VA	GET – David Hughes/ Locate in Kent (initial service provider)
'Innovation and growth in high-tech horticultural Industry'	Creation of horticultural business hub	South East LEP ESIF	East Malling Research – Sally Flanagan
'ISE ³ ' (Internationalisation of SMEs Exchange)	Best-practice exchange on support for export	Interreg Europe	GET – Steve Samson
PROFIT	Support to tourism SMEs	Interreg VA, 2-Seas	Visit Kent – Ruth Wood
'International Trade Support'	Suite of direct support services to Kent SMEs for export	South East LEP ESIF (with UKTI)	GET – Steve Samson
'SME ICT'	Support for SMEs to engage in digital commerce	South East LEP ESIF/Interreg	SCS – Peter Bole
'Business Reimagined'	Encouraging SME adoption and exploitation of new technologies	Interreg VA, 2 Seas	GET – Liz Harrison
'High Growth Kent'	Support to SMEs	South East LEP ESIF	GET- David Hughes/UofG
Life Sciences Internationalisation & Cluster Development	Support to Life Science SMEs	Interreg VB NW Europe	GET – Steve Samson

Health and Social Care

Project name	Project Theme	Potential Funding Stream(s)	Directorate (if KCC) and contact
'CASA II'	Citizen-centred care hubs	Interreg Europe	SCHW – Ann Tidmarsh GET – Francesca Vencato
'Building Community Capacity'	Preventative services as an alternative to social care provision	South East LEP ESIF, Interreg, Health for Growth	SCHW – Emma Hanson
'Extra Care Housing'	Alternative to residential care	South East LEP ESIF	SCHW – Christy Holden
'OCTAVIA 2'	Health benefits of the Arts in those with long-term conditions	Interreg VA Channel	International Health Alliance – Alice Chapman-Hatchett
'Digital Health Technology'	Assisting people to live in their homes longer	Interreg/Health for Growth	SCS – Debbie Johnson
'Dementia in Schools'	Learning resources to teach children and young people about Dementia	Interreg/South East LEP ESIF/Health for Growth	SCHW – Emma Hanson
'E-HIPPO'	Improving motor performance amongst boys with haemophilia	Horizon 2020	International Health Alliance – Alice Chapman-Hatchett
'Body Image and Dance'	Dance as a means of improving body image and leadership amongst young people	ERASMUS+/Health for Growth	International Health Alliance – Alice Chapman Hatchett
SHAPE	Health tourism	Interreg VA 2Seas	Visit Kent – Ruth Wood

Low Carbon Economy

Project Name	Project Theme	Project Funding Stream(s)	Directorate (if KCC) and contact
'Low Carbon Economy' (I)	Targeted Direct Business Support	South East LEP ESIF	GET – Carolyn McKenzie
'Low Carbon Economy' (II)	Strategic Development	Interreg Europe	GET – Carolyn McKenzie
'FUSION 2'	Pilot Programmes/R&D Business-Case building	Interreg VA 2-Sea	GET – Carolyn McKenzie
'LOCATE'	Low Carbon in Tourism	Interreg VA 2-Sea	Visit Kent - Cheryl Parker

Research and Innovation

Project Name	Project Theme	Potential Funding Stream(s)	Directorate (if KCC) and contact
'Socio-economic Impacts in families and communities'	Research into community resilience (tipping points, prevention and early intervention)	South East LEP ESIF/Horizon 2020	SCS – Peter Bole
'European Regional Intelligence Partnership' (ERIP)	Development of common intelligence tools to ensure better information and intelligence sharing for smarter public service delivery	Interreg VA Channel/2-Seas	GET – Public Protection Ian Baugh, Elizabeth Raiser
'Tech Kent'	Development of Kent's Digital Economy including emerging sectors such as 'Big Data'	Interreg VA – 2-Seas	GET – Liz Harrison

Transport

Project Name	Project Theme	Potential Funding Stream(s)	Directorate (if KCC) and contact
'Ashford Spurs'	Resignalling at Ashford International Station	TEN-T, Connecting Europe Facility, Interreg NWE	GET – Stephen Gasche, Dafydd Pugh
'BRIDGE'	Traffic Management at Dover	TEN-T	Port of Dover – Richard Christian
'Smart Transport Technology'	Technology to support traffic information, sustainable transport and management of lorry parks	Interreg VB North Sea Region (NSR) Interreg VA, 2-Seas	GET – Joe Ratcliffe, Rhiannon Mort
'SMART' (Rural Mobility)	Sustainable transport and social innovation (health and well-being)	Interreg VA	GET – Ian Baugh, Elizabeth Raiser
'Highways Drainage'	Best-practice exchange	Interreg Europe/South East LEP ESIF	GET – Katheryn Lewis

Climate Change Adaptation

Project Name	Project Theme	Potential Funding Stream(s)	Directorate (if KCC) and contact
'Climate Resilience' (Human angle)	Addressing severe weather events, including flooding and drought.	Interreg VA, 2-Seas (West Flanders/CRNPDC)	GET – Christine Wissink
'Cluster Project'	Inward Investment	Interreg Europe	Locate in Kent – Paul Wookey/Mandy Bearne
'Water/Agriculture'	Resource efficiency in agriculture (alternative water storage)	LEADER	GET – Alan Turner

Protecting the Environment

Project Name	Project Theme	Potential Funding Stream(s)	Directorate (if KCC) and contact
'NOSTRA 2'	Implementation of 'Network of Straits' Action Plan (Biodiversity, Marine Protection, Air Pollution, Sustainable Tourism)	Interreg VA 2-Seas/ Interreg Europe	GET – Chris Drake
'Resilient Landscapes'	Support to biodiversity	Interreg VA 2-Seas	GET –Sarah Anderson (West Flanders leading)
'Household Waste Recycling' (Sittingbourne)	Enhancing site safety and accessibility, minimising landfill and maximising waste as a resource	South East LEP ESIF	GET/HTW – Melanie Price
'LIFE'	Enhancing and connecting chalk habitats	LIFE	AONB – Catherine Brady

Education, Skills and Lifelong Learning

Project Name	Project Theme	Potential Funding Stream(s)	Directorate (if KCC) and contact
'Community Engagement of vulnerable adults' EASIER II	Social Care apprenticeships for school leavers Shared research and visits on Great War between schools	South East LEP ESIF ERASMUS Plus	SCHW - Anne Tidmarsh EYP – Sean Carter
STUDENT-KEY-PASS	Accreditation and validation of non-formal as well as formal learning	ERASMUS Plus	EYP – Sean Carter
Curriculum Project	Developing whole school approaches to creating inspirational curriculums in schools	ERASMUS Plus	EYP – Sean Carter/Sue Tunnicliffe
Innovating the Creation of Income	Neighbourhoods as a platform for learning and developing social innovation	Interreg 2 Seas	EYP – Sean Carter
SKILLSPASS	Development of a tool enabling young people to identify and enhance lifelong transferable skills	Interreg 2 Seas	EYP – Sean Carter
Kick Start Your Soft Skills (KYSS)	Development of a diagnostic tool for use by students current levels of soft skills needed in the workplace and signposting/ advising on how to further develop these skills	Interreg 2 Seas	EYP – Sean Carter
Apprenticeship	Increasing take up of apprenticeship	Interreg 2 Seas VA 2 Sea	EYP – Martin Knox

Social Inclusion and Combating Poverty

Project Name	Project Theme	Potential Funding Stream(s)	Directorate (if KCC) and contact
'Information, Advice and Guidance Hubs'	Signposting people to information and supportive services within their local communities	Interreg/South East LEP ESIF/ Health for Growth	SCHW – Emma Hanson
'Supported Accommodation'	Provision of more independence to individuals with learning difficulties	South East LEP ESIF	SCHW – Christy Holden
'Active Local Social Inclusion'	Job-preparedness of NEETS and active inclusion of disadvantaged individuals	South Est LEP ESIF	Kent Community Foundation – Carol Lynch

Rural Development

Project Name	Project Theme	Potential Funding Stream(s)	Directorate (if KCC) and contact
'Viticulture'	Vineyard business expansion	LEADER	GET – Huw Jarvis
'Kent Venison'	Development of game production	LEADER	GET – Huw Jarvis
'Kent Food Hub'	Agri-business hub	LEADER	GET – Huw Jarvis
'Kent Honey'	Increase number of bee- hives and keepers in Kent	LEADER	GET – Huw Jarvis
'Kent Farmers Markets'	Increase professionalism, business skills and entrepreneurship	LEADER	GET – Huw Jarvis
'STAR'	Rural tourism	Interreg VA Channel	Visit Kent – Ruth Wood
'Romney Marsh Landscape Trainee Apprenticeships'	Vocational training in agriculture, tourism/heritage	LEADER	
'New Product Development'	Investment in machinery and premises for fruit juice production	LEADER	GET – Huw Jarvis

EU Funding Programmes 2014-20 – Key Information and First Call Dates

Overview of process

As can be seen from the attached timetable, most of the new EU funding programmes for 2014-20 have introduced a 2-stage process involving the initial completion of a 'Concept Note' (Interreg) or 'Outline Application' (South East LEP ESIF). Only successful applicants will be invited to complete Full Applications thereby avoiding unnecessary work on bids that were unlikely to be successful. It is expected that information from Concept Notes and Outline Applications will be able to be transferred electronically into Full Applications.

Most programmes operate a series of 'Calls for Proposals', usually twice a year over the life of the programme. The Calls are usually targeted on several key themes and published well in advance to enable potential applicants to prepare partnerships and project proposals. Beneficiaries can normally include public, private (SMEs) and voluntary sector organisations.

Interreg

Following the First Call of the '2-Seas' programme between **7 January and 16 February 2015**, the next opportunity for making an application under the cross-border cooperation strand of Interreg was through the Opening Call of the Interreg 'Channel' programme between **2 March and 11 May 2015**. Although its key priorities are similar to those of the '2-Seas' programme, the Channel programme offers a higher grant rate of 69%, involves just English and French partners and is the only such programme with a specific priority for culture and heritage.

The two Interreg 'transnational cooperation' programmes for which Kent is also eligible, North-West Europe (NWE) and North-Sea Region (NSR) will both become operational during **April 2015**. As can be seen from the maps below, these programmes focus on cooperation across borders in a larger European area. Potential Kent projects under development for these programmes include a 'Life Sciences Cluster' initiative for (NWE) and a tourism project to develop young talent and entrepreneurship (NSR). KCC Directorates are also currently developing a number of projects including 'CASA II' (Citizen Centred Care Hubs) and 'NOSTRA 2' (Biodiversity and Marine Protection), for submission to the 'Interreg Europe' 'interregional co-operation programme whose First Call (single stage) is expected to open from **April to September 2015**. The Interreg Europe programme covers all 28 EU Member States, plus Norway and Switzerland, has a co-financing rate of 85% for public bodies and is focused on shared learning and exchange of best-practice and the development and implementation of action plans in each participating region.

South East LEP ESIF Programme

The First Calls for Projects under the European Structural and Investment Fund (ESIF) programme were announced on **20 March 2015**. All the Calls can be found on the government's new [ESIF Funding Finder](#). They include 2 Calls specifically applicable to the South East LEP (SELEP):

- Supporting the Shift Towards a Low Carbon Economy in All Sectors (Call closes on 20 May 2015) seeking proposals for a minimum of £500,000 from the European Regional Development Fund (ERDF).
- Support to micro and small *rural* businesses (Call closes on 19 June 2015) for grants of between £50,000 and £155,000 from the European Agricultural Fund for Rural Development (EAFRD) –*see also below*.
- SELEP-specific ERDF Calls relating to Enhancing the Competitiveness of SMEs and Research and Innovation would also follow shortly.
- The Department for Work and Pensions (DWP) would also shortly be issuing Calls under the European Social Fund (ESF) covering Employment, Social Inclusion and Skills before 27 March
- ESF 'Opt-In' organisations would also be submitting their applications covering activity agreed with LEPs and local partners.

A Call for BIS national products (Growth Accelerator (GA), Manufacturing Advisory Service (MAS) and UK Trade & Industry (UKTI) would also be launched in March. The details of how these will operate were still being discussed but our priority will be to ensure that services provided by these organisations reflect *local* rather than national priorities, in particular with UKTI where bespoke arrangements for Kent and Medway have been under discussion for some time.

Rural Development

The South East LEP has been allocated £14.4 million of European Agricultural Funds for Rural Development (EAFRD) from 2015-20. This funding is to support jobs and growth in rural areas and can be spent on projects that will:

- Build knowledge and skills in rural areas;
- Fund new and developing non-agricultural, micro, small and medium-sized rural business;
- Fund small scale renewable and broadband investments in rural areas; and
- Support tourism activities in rural areas.

In its First Call for applications (see above) SELEP has prioritised support for:

- Micro and small businesses in rural areas seeking to expand and create jobs;
- Micro and small businesses in the agri-food sector, located in rural areas, seeking to expand and create jobs.

The total grant funding available for the First Call is £1 million with funding offered to a maximum of 15 projects. Grants will be available from £50,000 up to approximately £155,000 with applicants receiving up to 40% of the project's total eligible costs.

LEADER programme for Rural Development

'LEADER' is part of the Rural Development Programme for England (RDPE) which uses a 'bottom-up' approach through Local Action Groups (LAGs) to implement small (usually up to £50,000) projects to support diverse and successful rural economies and communities. In Kent, the three LEADER programmes and allocations for 2014-20 are:

- Kent Downs and Marshes (£1.886 million)
- West Kent (£1.813 million)
- East Kent (£1.586 million)

Local Action Groups are currently consulting with DEFRA and the Rural Payments Agency (RPA) on application forms, guidance and handbooks and will be in a position to accept applications for projects from **June 2015**.

'Thematic' Programmes

Apart from the 'territorial' programmes outlined above, EU policies are also implemented through a range of other 'thematic' programmes such as '**Horizon 2020**' for Research and Innovation, '**Erasmus +**' (Skills & Employability) or '**The Connecting Europe Facility**' (Energy, Telecommunications and Transport) which could also contribute to our economic growth potential. The Kent Brussels Office has, for example, recently coordinated an application to the Connecting Europe Facility for a project worth €5.53 million, requesting just under €2.7 million of EU support, for re-signalling at Ashford. The bid was submitted on 23 February 2015 through Network Rail. The Brussels office will be flagging up with Directorates other opportunities under these types of programme, particularly from specific Calls for Proposals, where they might support our priorities. The Office's recent co-location in Brussels with the region of Nord-Pas de Calais will also help in this regard given the latter's greater experience of such programmes.

EU Funding Programmes 2014-20 – Key Information and First Call Dates

Programme (see also attached maps)	Priorities	Total Funding (€ million)	Grant rate (%)	First Call for Concept Note/ Outline Application	Submission of Full Application	Date of Decision
Interreg Cross-Border Cooperation '2-Seas'	Innovation Low Carbon Climate Change Resource Efficiency	257	60	7 Jan - 16 Feb 2015	4 May – 13 July 2015	October 2015
Interreg Cross-Border Cooperation 'Channel'	Innovation Low Carbon Enhanced Attractiveness Balanced Development	223	69	2 March - 11 May 2015	July – September 2015 (t.b.c.)	Jan 2016 (t.b.c.)
Interreg North West Europe Transnational Cooperation (NWE)	Innovation Low Carbon Resource Efficiency	396	60	7 April – 18 May 2015	N/K	N/K
Interreg North Sea Region Transnational Cooperation (NSR)	Innovation Low Carbon Climate Change Environment Sustainable Transport	157	50	27 April 2015	30 June 2015	N/K
Interreg Interregional Cooperation 'Europe'	Innovation SME Competitiveness Low Carbon Environment and Resource Efficiency	359	85	N/A	April–September 2015 (Single stage)	Jan 2016 (t.b.c)
South East LEP 'ESIF'	Innovation SME Competitiveness Low Carbon Employment Education Social Inclusion	185	50	20 March 2015	July – September 2015 (t.b.c.)	Jan 2016 (t.b.c.)

South East LEP 'ESIF' (Rural Development)	<p>Micro and small businesses in rural areas seeking to expand and create jobs.</p> <p>Micro and small businesses in the agri-food sector, located in rural areas, seeking to expand and create jobs.</p>	14.4 (£million)	40	20 March 2015-19 June 2015	July – September 2015 (t.b.c.)	Jan 2016 (t.b.c.)
LEADER programme for Rural Development	<p>Micro and small businesses and farm diversification. Rural tourism</p> <p>Farm productivity</p> <p>Forestry productivity</p> <p>Rural services</p> <p>Culture and Heritage.</p>	5.3 (£million)	Between 40 and 100	From June 2015	N/A	N/A

Maps of Programme Areas

Interreg '2-Seas' Cross-Border Cooperation programme 2014-20

Promoting joint working and cross-border cooperation between partner organisations in England, France, Flanders and The Netherlands

- o € 257 million
- o Managing Authority: Nord-Pas de Calais
- o 60% Co-financing rate



Interreg 'Channel' Cross-Border Cooperation Programme 2014-20

Franco-British Cooperation across the English Channel

- o €223 million
- o Managing Authority: Norfolk



www.interreg4a-2mers.eu/2014-2020

www.interreg4a-manche.eu

North West Europe (NWE) Transnational Cooperation Programme 2014-20

Addressing EU-wide challenges and opportunities across a wide geographical area

- o €396 million budget
- o Enhancing the capacity of NWE to generate innovation; climate change mitigation and investing in eco-innovation and resource efficiency



www.nweurope.eu/index.php

North Sea Region (NSR) Transnational Cooperation Programme 2014 - 20

Will cover the three Priority Themes of Innovation, Environment and Transport

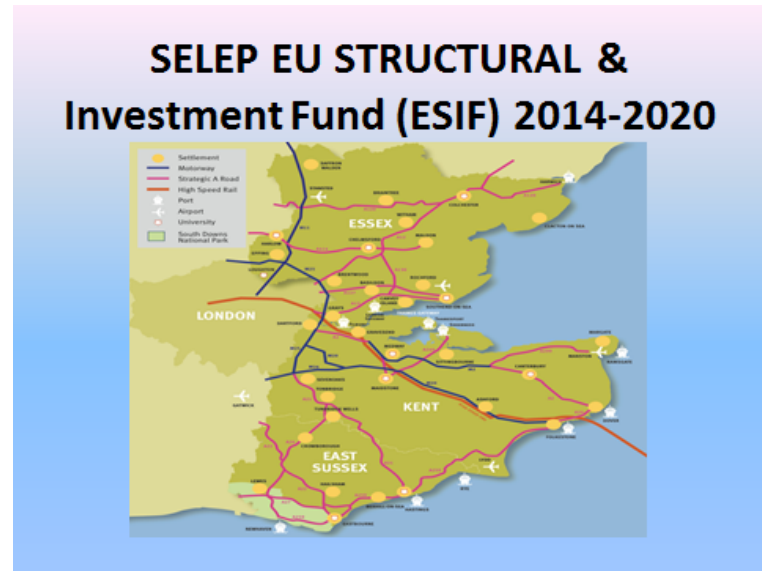
- o €167 million budget
- o Revitalising the NSR Economy; Leading on Sustainable Growth and Sustainable Transport and Logistics



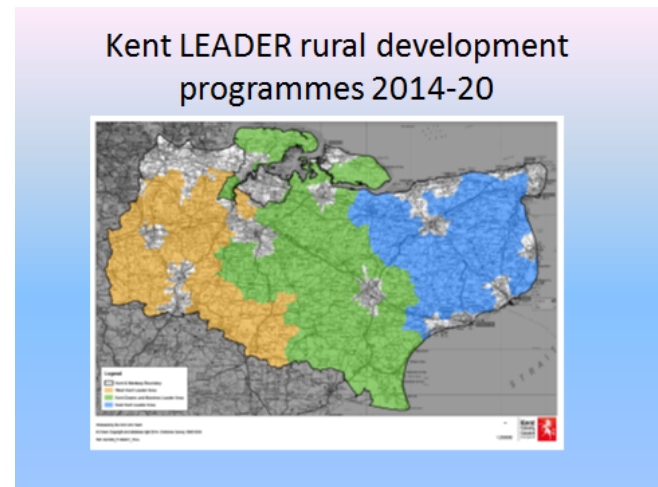
www.northsearegion.eu



www.interreg4c.eu/interreg-europe
www.kent.gov.uk



www.southeastlep.com
www.gov.uk/england-2014-to-2020-european-structural-and-investment-funds-growth-programme



www.gov.uk/rural-development-programme-for-england-leader-funding

KCC/Kent bids by Priority Theme submitted to the First Call for proposals under the Interreg '2-Seas' Cross-border Cooperation Programme 2014-20

Project	Aims of Project	EU funding grant sought for KCC	Key Outcomes for Kent
Supporting Kent's SMEs.			
'Innovative Sector Exchange' (ISE) – Lead Partner KCC, Lead Officer Steve Samson (GET).	To help growing Kent companies to 'innovate and internationalise' by connecting them to those in nearby European partner regions.	£ 240K	New business contacts and trading opportunities established for Kent SMEs in nearby European markets (incl. Belgium, Netherlands, France), with the 'export gap' in Kent reduced.
'PROFIT' – (Profitability raised through innovation in tourism) – Lead Partner Westtoer (Flanders) Lead Officer, Ruth Wood (GET).	To grow the visitor economy on our coast by supporting and developing SMEs' capacity to innovate.	£ 240K	Change in perception of coastal destinations as old fashioned and unattractive with innovation established as a routine business practice for tourism SMEs.
'TradeSmart' – Lead Partner KCC, Lead Officer Ian Baugh (GET)	To address a lack of capacity in SMEs for complying with existing and emerging EU and UK legislation; provide education and awareness-raising among consumers about their rights and responsibilities, rogue traders, scams and e-crime	£ 450K	Fewer enforcement activities by Trading Standards as businesses are more compliant and competitive while rogue traders are marginalised and consumers are better protected.
Creative Industries – Skills for the future – Lead Partner Medway Council, Lead Officer Sarah Wren (GET)	Build on the network of digital and creative industries and infrastructure in Kent developed under previous projects with an emphasis now on training, skills development and routes to employment to attract and	£ 1.6m	Economic growth through creative industries (fastest growing sector in the UK); the creation of more skilled jobs and improved graduate retention in the county and which would become a centre of

	retain a skilled workforce. Economy.		excellence in digital and creative industries.
Increasing the county's resilience to climate change.			
'CRCL' (Climate Resilient Coastal Landscapes) – Lead Partner West Flanders, Lead Officer Sarah Anderson (GET).	Use landscape-led design to realise a more resilient environment and mitigate the impact of environmental change such as heat-waves, drought and flooding.	£ 588K	Direct delivery of improved resilience and management of two rural areas identified nationally and across Europe as being 'at risk' (coastal grazing marsh and chalkland) and widespread community engagement in volunteering and apprenticeships.
Building Community Resilience to Climate Change – Lead Partner KCC, Lead Officer Christine Wissink (GET)	Implementing actions and demonstrating their effectiveness to build adaptive capacity as climate change begins to put pressure on health services, biodiversity, industry, infrastructure and property.	£ 360K	Increased resilience of the economy, Kent communities and the public sector in relation to severe weather events, together with cost-avoidance.
Increasing employment in Kent's Low Carbon & Environmental Goods and Services Sector.			
'FUSION 2' – Lead Partner KCC, Lead Officer Adam Morris (GET)	Mainstream the circular and low carbon economy through accelerating demand for products, services and technologies and incorporating the principles into models that are relevant to SMEs and public sector bodies	£ 600K	Increased business competitiveness due to take-up of more resource-efficient low-carbon business models and a more targeted, collaborative approach between business and the public sector in the LCEGS sector.
Supporting KCC's Environmental Strategy.			

<p>'GUEST' – (Gaining an Understanding of Economic efficiency for Sustainable Tourism) – Lead Partner KCC, Lead Officer, Ruth Wood (GET)</p>	<p>Support the shift towards a more efficient resource economy by understanding the impact of tourism and piloting tools to manage the impact of the sector on our natural resources</p>	<p>£ 180K</p>	<p>The establishment of new methods to understand for the first time the impact of the tourism industry on natural resources and to then work with stakeholders to reduce its carbon footprint.</p>
<p>Improving the Health of Kent's residents.</p>			
<p>'DWELL' – Lead Partner International Health Alliance, Lead Officer Alice-Chapman-Hatchett (SCHW)</p>	<p>The project aims to improve health and societal outcomes for identified groups of diabetes patients, with a particular focus on self-management of their condition and changes in lifestyle.</p>	<p>£ 600K</p>	<p>Changes in lifestyle (to include a healthier diet and more exercise, personal responsibility for managing illness, increased knowledge about diabetes and its management.</p>

By: Mark Dance
Cabinet Member Economic Development

To: Economic Development Cabinet Committee – 14 April 2015

Subject: RGF Programmes and Framework for Monitoring Report

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

Classification: Unrestricted

Background Information

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 introduction of a framework for future reports.

Recommendation

Members of Growth, Economic Development and Communities Cabinet are asked to NOTE and agree the framework for future reports.

1. Summary of RGF Schemes

As of 13th March 2015, KCC has committed over £54 million across the three RGF schemes since April 2012. 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.

In total, over 190 companies have been supported through the RGF schemes managed by Kent County Council. These companies are targeted to create 11,500 jobs and will leverage in £84 million from private sector investment.

1.1 The Expansion East Kent Programme was launched in December 2012. As of 13th March 2015 KCC has committed over £34.5 million to 103 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. The programme was suspended on 1st February 2015 and is no longer open to any applicants.

1.2 The Tiger Programme for North Kent and Thurrock was launched in March 2013. As of 13th March 2015 KCC has committed £14.5 million to 51 companies within Dartford, Gravesham, Medway, Swale and Thurrock. The programme is no longer open to any new applicants.

1.3 The Escalate Programme for West Kent and parts of East Sussex was launched in December 2013. The first amounts of funding were awarded to businesses from March 2014. As of 13th March 2015 KCC has committed £5.5 million to 35 companies and the programme is no longer accepting any new applications.

2. Monitoring Framework

2.1 The contractual arrangements between KCC and successful bidders are as follows:-

- A legally binding contract agreement is issued to the company and sealed by KCC.
- 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.
- In addition to the monitoring process undertaken by KCC a quarterly monitoring check is carried out by the DCLG Monitoring Officer with the BIS Contract Manager.
- 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 see below:
 - The main objective of the KCC Internal Audit is to provide assurance on the governance arrangements, decision making and outcomes for the RGF initiatives.
- Recommendations from previous audits have been accepted and incorporated into the programme administration processes.

2.2 The monitoring framework encompasses stage 4 - issuing of the loan agreement and stage 5 - the process for monitoring companies.

- Contract Issuing stage 4 – all information on the companies is held on a bespoke Customer Relationship Management (CRM) and Excel Finance system.
- Contract Monitoring stage 5 – process for issuing the reports to companies and compiling returns.

2.3 On receipt of returns the following RAG rating is applied:-

1. Green Status – full return received and no outstanding issues noted.
2. Amber Status – partial return received and issues noted

3. Red Status – no return received and non achievement of key milestones i.e. repayment, job outcomes or delay to planned objectives

In addition the following process has been implemented for the non-return of the monitoring form.

If the Applicant has passed their deadline for the return of the monitoring form, a further deadline of two weeks is set for return by the sending of a formal reminder for the monitoring form.

If the Applicant has not submitted their return by the extended deadline, a further formal email is sent to them informing them that if their return is not received within a further seven days a site visit will be undertaken to ensure contractual compliance with regard to contractual outputs and milestones

2.4 The following table provides a headline summary for all three RGF programmes for the period of September - December 2014.

No of companies awarded investment and completed contract stage	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
172	125	111 (89%)	76 (61%)	26 (21%)	23 (18%)
		Combined Loan Values			
		£33,090,319	£21,752,165	£5,638,111	£5,700,043

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	4 (3%)	11 (9%)	8 (6%)
Combined Loan Value	£864,330	£3,077,500	£1,758,213
Actions to be taken	Formal legal proceedings undertaken	Follow up email	Company under review

It is important to note out of the 125 companies within the monitoring reporting cycle 82% (102 companies) fall within green or amber and only 18% (23 companies) fall within the red risk status. Equally important is the fact the monitoring framework further segments the red risk status into three categories as follows:

Category A = Failure to repay loan on time = 4 companies (3%)

Category B = Nil return of monitoring form = 11 companies (9%)

Category C = Significant delays in outputs = 8 companies (6%)

3. Delivery of Schemes

Annex 1 provides full details on the monitoring returns for the **Expansion East Kent programme** and expected job creation to March 2019.

Annex 2 provides full details on the monitoring returns for the **Tiger programme** and expected job creation to March 2019.

Annex 3 provides full details on the monitoring returns for the **Escalate programme** and expected job creation to March 2019.

4. Recommendation:

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

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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	0	0	0	0	0
Canterbury	6,729,199.12	7,588,601.00	21	1,205.58	83.92	1,289.50
Dover	11,443,620.00	23,952,203.00	22	506.09	233.61	739.7
Shepway	6,021,037.00	10,001,339.78	21	432.79	124.55	557.34
Thanet	5,457,215.00	12,424,985.00	19	472.58	278.75	751.33
Total	29,651,071.12	53,967,128.78	83	2,617.04	720.83	3,337.87
Position as at 13 March 2015						

Total Committed Funding	£29,651,071.12	£53,967,128.78	83	2,617.04	720.83	3,337.87
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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:

- (a) Small Business Boost = £1m
- (b) Equity Investment Fund = £5m

The Small Business Boost has currently awarded funding to 20 companies (5 of which are in Ashford).

Total Funding Committed = £29,651,071.12

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 February 2015 = £19,390,282}
- (b) Estimated funds to be defrayed March 2015 = £4,420,964} £35 million
- (c) Estimated funds April 2015 to March 2016 = £11,188,754}

3. Profile for Repayments of Funds (as at 27th February 2015)

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	£898,196 (see below)	£2,864,594	£3,815,509	£4,480,191	£3,856,001

2019/20	2020/21	Total Repayment
£3,052,121	£4,698,847	£24,000,753

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 £444,034. The actual amount received as of 30th September 2014 was £441,459 which represented an achievement rate of 99.42%.

The remaining funds (£456,737) 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 December 2014 period have resulted in 45% 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
83	64	53 (83%)	29 (45%)	18 (28%)	17 (27%)
		Combined Loan Value			
		£19,177,399	£10,924,343	£3,636,226	£4,616,830

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%)	8 (13%)	6 (9%)
Combined Loan Value	£454,330	£2,547,500	£1,615,000
Actions to be taken	Formal legal proceedings undertaken	Follow up email	Company under review

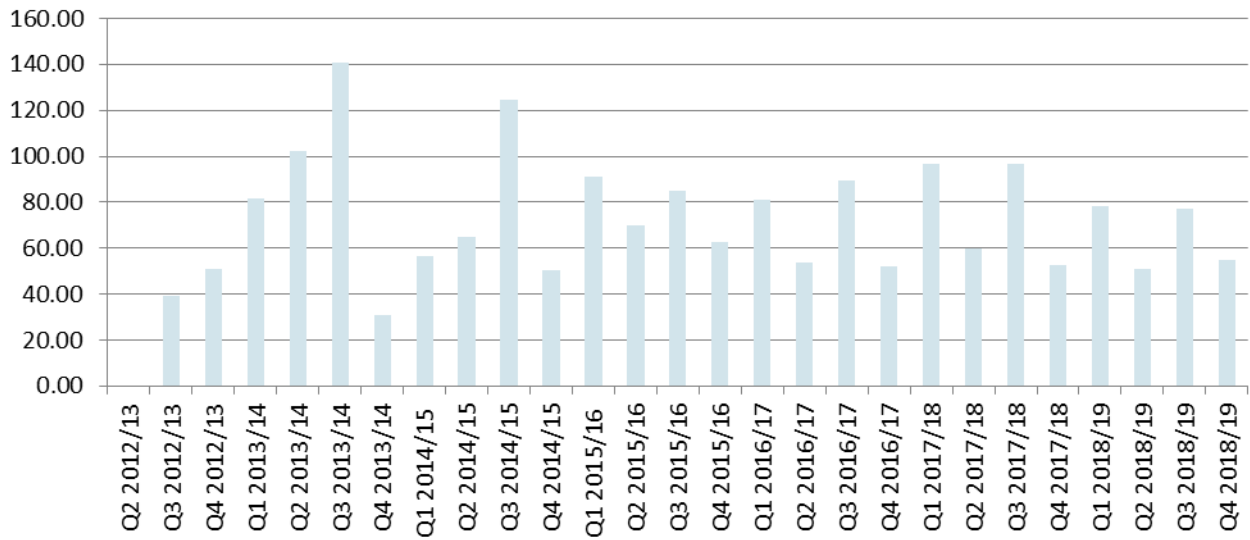
The action taken on 18 (28%) companies in Red Status is as follows:

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 =	8 companies - nil return of monitoring form
Action taken:	All 8 Companies received follow up emails and resulted in 8 monitoring returns still outstanding. The outstanding returns have now been merged with the March 2015 return.
Category C =	6 Companies - Significant delays in the following areas: <ul style="list-style-type: none"> • Job creation significantly behind, loss of staff, and/or not employment contracts not clearly evidenced • Audit Certificate for 13/14 overdue • Risk to company premises, relocation required • Match funding for final drawdown is at risk

The monitoring returns for December 2014 have included evidence i.e. employment contract for the creation of 362.39 jobs and safeguarded of 372.43. This figure is profiled to rise to 950.91 jobs created and 577.36 safeguarded by the end of March 2015.

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

EXPANSION EAST KENT EXPECTED JOB CREATION TO MARCH 2019



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	1,477,247	1,283,822	9	158.69	56.21	214.9
Gravesham	881,062	843,062	5	45.58	62	107.58
Medway	4,445,489	3,050,659	15	262.03	158.97	421
Swale	6,574,502	17,669,708	16	310.86	312.24	623.1
Thurrock	1,121,700	1,501,355.5	5	131.76	18.53	150.29
Total	14,500,000	24,348,606.5	50	908.92	607.95	1516.87
Position as at 13 March 2015						

Total Funding Committed	£14,500,000	£24,348,606.5	50	908.92	607.95	1516.87
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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:

Funds defrayed as at 1 st March 2015	=£11,489,940}	£14.5 million
Estimated funds to be defrayed by end March 2015	=£3,010,060}	

3. Profile for Repayments of Funds (as at 27th February 2015)

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 £12,665,928 as two companies have been awarded equity investments (£1,424,072).

2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
£143,007	£2,166,185	£2,556,524	£2,459,093	£2,026,844	£1,663,545	£1,240,704
Total Repayment = £12,665,928						

There are two loan repayment periods per financial year i.e. September 2014 and March 2015.

4. Monitoring Returns

The monitoring returns for Tiger programme for the period of December 2014 period have resulted in 72% 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
51	39	36 (92%)	28 (72%)	5 (13%)	6 (15%)
		Combined Loan Value			
		£10,417,960	£7,864,078	£1,524,669	£1,083,213

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

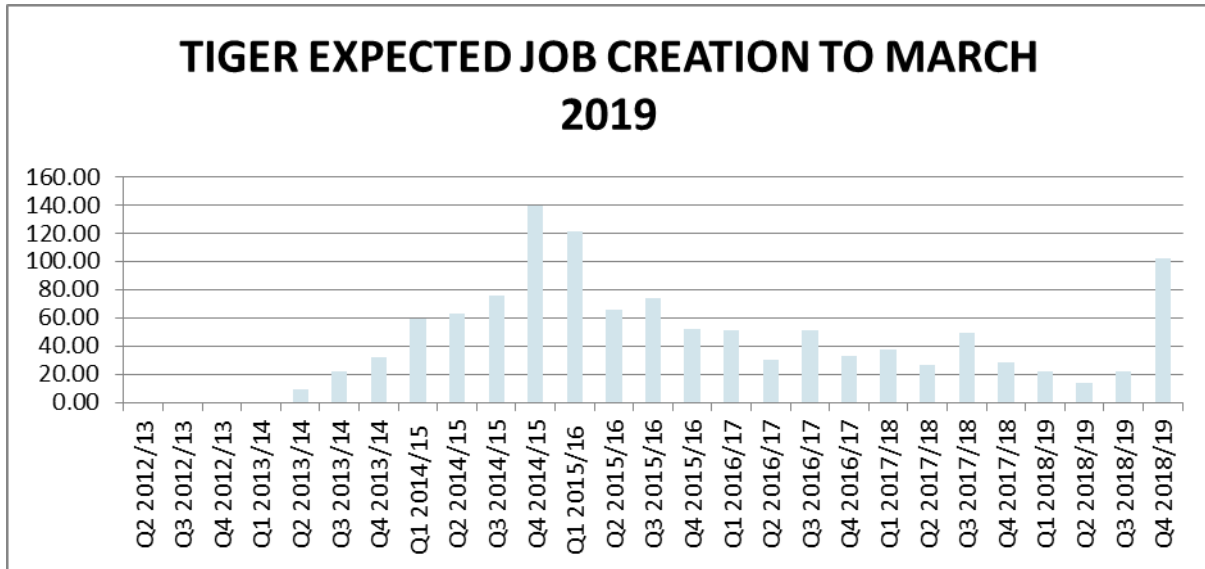
Breakdown of Red Risk Status	Category A Non Payment of Debt	Category B Nil Return of Monitoring Form	Category C Significant shortfall on milestones / targets
No of Companies	1 (2%)	3 (5%)	2 (8%)
Combined Loan Value	£410,000	£530,000	£143,313
Actions to be taken	Formal legal proceedings undertaken	Follow up email	Company under review

The action taken on 6 (15%) companies in Red Status is as follows:

Category A =	1 Company has significant issues i.e. failure to repay loan on time – bad debt.
<i>Action taken:</i>	The company have advised KCC of voluntary administration. Legal advice sourced on the appropriate action to take and costs of actions.
Category B =	2 Companies - nil return of monitoring form
<i>Action taken:</i>	Both companies have received follow up emails and resulted in 2 monitoring returns still outstanding. The outstanding returns have now been merged with the March 2015 return.
Category C =	3 companies - Significant delays in the following areas: <ul style="list-style-type: none"> Job creation significantly behind, loss of staff, and/or not employment contracts not clearly evidenced.
<i>Action taken:</i>	One company has confirmed that they will be repaying their loan early due to not being able to retain staff due to their proximity and easy access to London. The other two companies are actively seeking the right calibre of staff.

The monitoring returns for December 2014 have included evidence i.e. employment contract for the creation of 206.51 jobs and safeguarded of 514.04. This figure is profiled to rise to 353.38 jobs created and 587.25 safeguarded by the end of March 2015.

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



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	2,565,998.30	2,745,332	10	127.56	94.67	222.23
Rother	90,000	95,845	1	82.83	17	99.83
Sevenoaks	594,000	719,472	6	33.6	18.17	51.77
Tonbridge + Malling	763,509.50	762,798	8	60.43	19.08	79.51
Tunbridge Wells	1,093,250	1,332,250	10	146.05	19.46	165.51
Wealden	280,250	280,250	3	17.27	7	24.27
Total	5,387,007.8	5,935,947	38	467.74	175.38	643.12
Position as at 13 March 2015						
<i>*Hastings Funding total is zero</i>						
Total Funding Committed	£5,387,007.80	£5,925,947	38	467.74	175.38	643.12

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:

Funds defrayed as at 1 March 2015	= £4,649,582.80}	£5.5 million
Estimated funds to be defrayed by end March 2015	= £850,417.20}	

3. Profile for Repayments of Funds (as at 27 February 2015)

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 £5,250,000 as one company has been awarded equity investment (£250,000).

2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
£135,760	£889,304	£1,179,936	£1,170,186	£997,475	£653,086	£224,251
Total Repayment = £5,250,000						

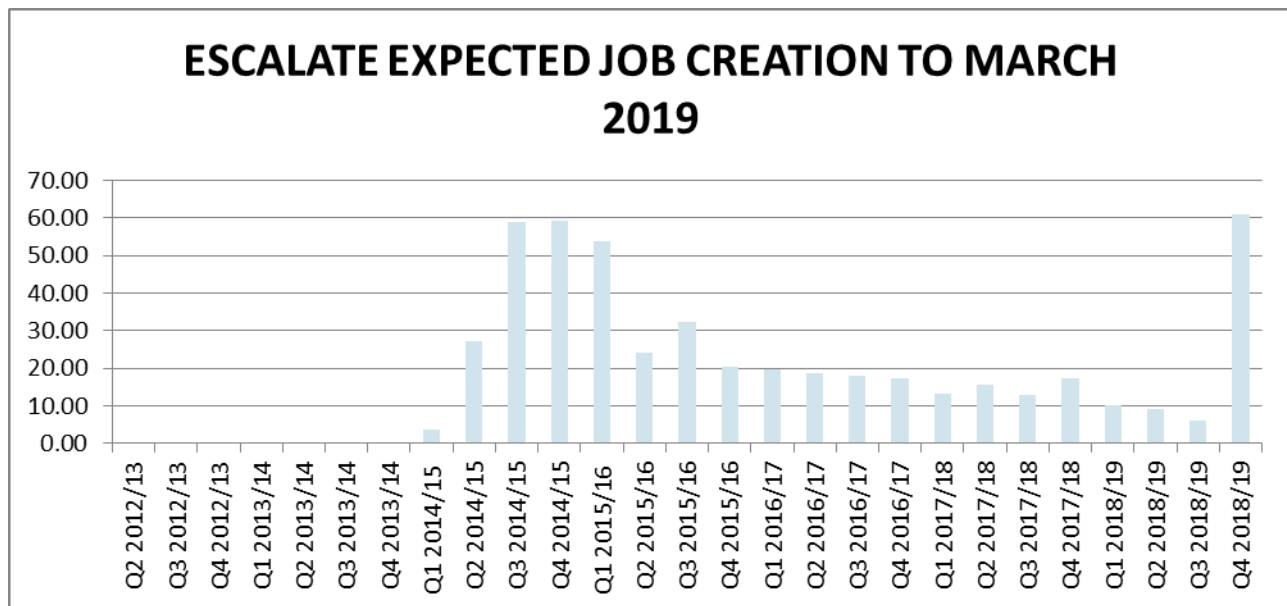
4. Monitoring Returns

The monitoring returns for the Escalate programme for the period of December 2014 period have resulted in 86% 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
38	22	22 (100%)	19 (86%)	3 (14%)	0 (0%)
Combined Loan Value					
		£3,440,960	£2,963,744	£477,216	

The monitoring returns for December 2014 have included evidence i.e. employment contracts for the creation of 36.66 jobs and safeguarded of 58. This figure is profiled to rise to 138.76 jobs created and 176.1 safeguarded by the end of March 2015.

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



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From: Peter Sass, Head of Democratic Services

To: Growth, Economic Development and Communities Cabinet Committee – 14 April 2015

Subject: **Work Programme 2015**

Classification: **Unrestricted**

Past Pathway of Paper: Growth, Economic Development and Communities Cabinet Committee meeting - 22 January 2015

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 2015.

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 2 March 2015 and 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 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

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Head of Democratic Services

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GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE
WORK PROGRAMME 2014/2015

(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
Discovery Park Enterprise Zone, Sandwich. Growing Places Fund investment Decision Number: 13/00034	Cabinet Member for Economic Development	Ross Gill, Economic Policy and Strategy Manager Tel: 01622 691131 e-mail: ross.gill@kent.gov.uk

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

PROPOSED FUTURE ITEMS		
Agenda Item	Date requested	Cabinet Committee meeting
Paramount Theme Park project on Swanscombe Peninsular	29/07/2013	Regular updates
Shipping in Kent Ports –(Marine diesel) <i>Request by the Cabinet Member</i>		Part of Cabinet Members verbal update in Jan 2015
Ebbsfleet	14/10/2014 agenda setting meeting	tba
Urban Development Corporation	14/10/2014 agenda setting meeting	tba
Support for Start Ups and Entrepreneurs	14/10/2014 agenda setting meeting	tba
2020 Business Show	14/10/2014 agenda setting meeting	Members to be advise of date and time of show
Manston Airport	14/10/2014 agenda setting meeting	Regular updates
PRESENTATIONS		
Thanet Seafront	14/10/2014 agenda setting meeting	tba
Paramount Theme Park project on Swanscombe Peninsular	14/10/2014 agenda setting meeting	In 2015
VISITS		
VISIT: TIGER and Escalate - <i>Request by Chairman</i>	11/12/2013	Jacqui Ward to organise visits before 2 December 2014 meeting
VISITS: To Businesses in East Kent with the Investment Advisory Board	11/12/2013	tba
VISIT: Discovery Park	14/10/2014 agenda setting	David Smith to organise

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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 Taker	Lead officer
Discovery Park Enterprise Zone, Sandwich. Growing Places Fund investment	Cabinet Member for Economic Development	Ross Gill, Economic Policy and Strategy Manager
Library Services in Sandgate	Cabinet Member for Community Services	Cath Anley Libraries Registration and Archives
Library Services in Sherwood	Cabinet Member for Community Services	Cath Anley Libraries Registration and Archives
Herne Bay Gateway - temporary relocation of library services	Cabinet Member for Community Services	Jonathan White Projects & Operations Manager
Tunbridge Wells Cultural Hub <i>Will go to 7 July Cabinet Committee g</i>	Cabinet Member for Community Services	

STANDARD AGENDA ITEMS	
Item	Cabinet Committee to receive item
Verbal updates by the relevant Cabinet Members and Directors	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)
Risk Register – Strategic Risk Register	Annually (July/September)
Directorate Business Plan	June/November
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 Peninsula	29/07/2013	Regular updates
Shipping in Kent Ports – (Marine diesel) <i>request by the Cabinet Member for Economic Development</i>		Part of Cabinet Member's verbal update to 7 July 2015 meeting
Ebbsfleet Garden City UDC Master Plan	14/10/2014 at agenda setting meeting	tba
Support for Start Ups and Entrepreneurs	14/10/2014 at agenda setting meeting	tba
Manston Site (Invite Paul Barber)	14/10/2014 at agenda setting meeting	Master Plan to 7 July or 15 September meeting
Kent and Medway Draft Growth Plan	22/01/2015	7 July meeting
A report on Registration and Archives – Mr Hill	22/01/2015	Extraordinary meeting to be arranged for May 2015
A report on Kent Life Science Network – Paul Wookey	22/01/2015	tba
Tunbridge Wells Cultural Hub (a key decision)	31/3/15	7 July 2015

PRESENTATIONS

Topic	Date requested	Cabinet Committee meeting
Thanet Seafront	14/10/2014	7 July 2015 Update to include Dreamland Paper + possible presentation
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. Requested by Mr Truelove	3/12/2014	1 st presentation by Canterbury Christchurch - 14 April 2015 meeting (Education and Young People's Services Directorate to be included in this – Stephanie Holt and Chris Metherell)
Kent Universities to be invited to present how they are facilitating and encouraging economic development in Kent. The discussion would include current programs and planned initiatives along with consideration specific challenges faced. Requested by Mr Clark (link includes some high level case studies https://www.gov.uk/government/speeches/contribution-of-uk-universities-to-national-and-local-economic-growth)	4/12/2014	David Smith to liaise with Universities
Kent Universities to be invited to present on sports arts etc	4/12/2014	15 September 2015
Presentations on the 4 District Deals	22/01/2015	tba

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	David Smith to organise
Visit to be arranged to the regeneration sites in Margate	22/01/2015	To be arranged after 7 July meeting

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From: Mark Dance, Cabinet Member for Economic Development
 Mike Hill, Cabinet Member for Community Services
 Barbara Cooper, Corporate Director for Growth, Environment
 and Transport

To: Growth, Economic Development and Communities Cabinet
 Committee – 14 April 2015

Subject: Performance Dashboard

Classification: Unrestricted

Summary:

The Growth, Economic Development and Communities Performance Dashboard shows progress made against targets set for Key Performance Indicators.

Recommendation(s):

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

1. Introduction

- 1.1. Part of the role of Cabinet Committees is to review the performance of the functions of the Council that fall within the remit of the Committee.
- 1.2. To support this role Performance Dashboards are regularly reported to each Cabinet Committee throughout the year, and this is the third report for this financial year to this Committee.

2. Performance Dashboard

- 2.1. The current Growth, Economic Development and Communities Performance Dashboard is attached at Appendix 1.
- 2.2. The Dashboard provides a progress report on performance against target for the Key Performance Indicators (KPIs) included in this year's Strategic Priority Statement.
- 2.3. The current Dashboard provides results up to the end of December.
- 2.4. The Dashboard also includes a range of activity indicators which help give context to the Key Performance Indicators.
- 2.5. Key Performance Indicators are presented with RAG (Red/Amber/Green) alerts to show progress against targets. Details of how the alerts are generated are outlined in the Guidance Notes, included with the Dashboard in Appendix 1.

3. Recommendation(s):

The Growth, Economic Development and Communities Cabinet Committee is asked to NOTE this report.

4. Background Documents

The Council's Strategic Priority Statements

<http://www.kent.gov.uk/about-the-council/strategies-and-policies/corporate-policies/strategic-priority-statements>

5. Contact details

Report Author: Richard Fitzgerald
Performance Manager
Strategic Business Development & Intelligence
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Growth, Economic Development and Communities Performance Dashboard

Financial Year 2014/15

Results up to December 2014

Page 227

Produced by Business Intelligence

Publication Date: 1st April 2015



Contents

Guidance Notes	3
Economic Development	4
Libraries, Registration and Archives	6
Sports/Arts Development	9

Guidance Notes

Data is provided with monthly frequency except for Waste Management where indicators are reported with quarterly frequency and on the basis of rolling 12 month figures, to remove seasonality.

RAG RATINGS

GREEN	Performance has met or exceeded the current target
AMBER	Performance is below the target but above the floor standard
RED	Performance is below the floor standard

Floor standards are pre-defined minimum standards set in Strategic Priority Statements and represent levels of performance where management action should be taken.

DOT (Direction of Travel)

↑	Performance has improved in the latest month/quarter
↓	Performance has fallen in the latest month/quarter
↔	Performance is unchanged this month/quarter

Activity Indicators

Activity Indicators representing demand levels are also included in the report. They are not given a RAG rating or Direction of Travel alert. Instead they are tracked within an expected range represented by Upper and Lower Thresholds. The Alert provided for Activity Indicators is whether they are in expected range or not. Results can either be in expected range (**Yes**) or they could be **High** or **Low**.

Division	Director	Cabinet Member
Economic Development	David Smith	Mark Dance

Results are up to December 2014.

The combined Regional Growth Fund funds for Expansion East Kent, TIGER and Escalate were nearly fully committed at the end of December, with £82.6m direct private sector investment leverage generated across the schemes.

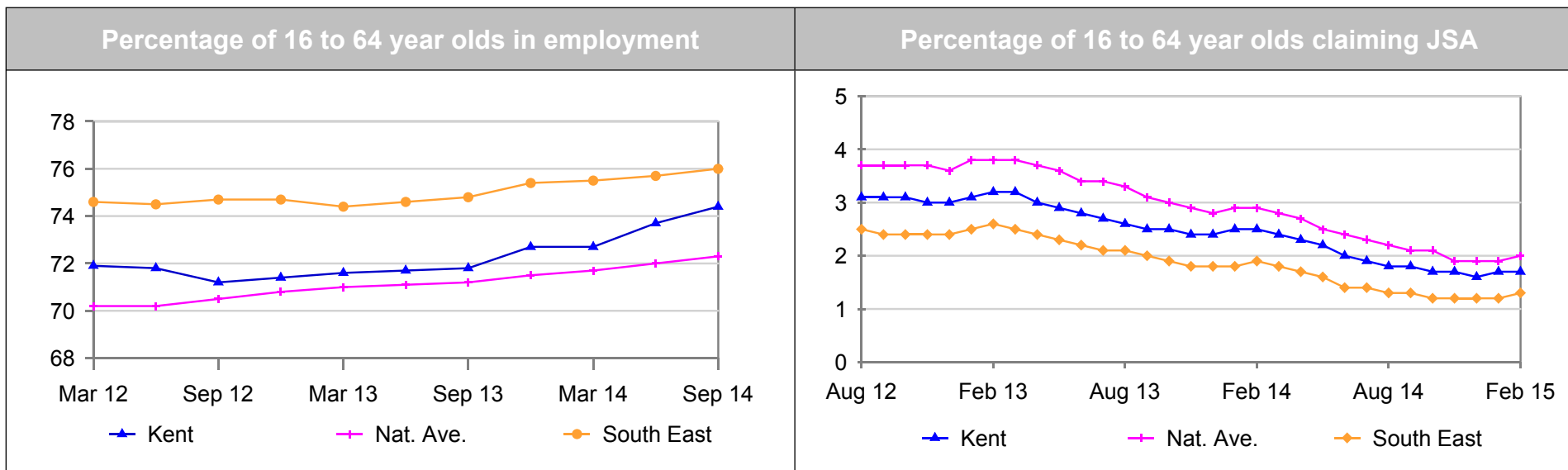
Ref	Performance Indicators	YTD	YTD RAG	YTD Target	YTD Floor	Pr. Yr. YTD
ED01	Number of jobs committed to be created/safeguarded through RGF and KCC projects	5,315	GREEN	1,800	1,500	3,603
ED02	Expansion East Kent - percentage of funds with Board approval to progress to full contract (cumulative)	97%	GREEN	74%	69%	N/a
ED03	TIGER and Escalate - percentage of funds with Board approval to progress to full contract (cumulative)	98%	GREEN	84%	74%	N/a

Data for all indicators are cumulative positions. ED01 is cumulative for the financial year and ED02 and ED03 are cumulative since the beginning of the schemes.

ED01 represents committed jobs based on loans provided and projects supported, including Regional Growth Fund schemes, Escalate, Marsh Million and the activity of Locate In Kent. Monitoring of delivery of these committed jobs for RGF will follow in future reports.

Division	Director	Cabinet Member
Economic Development	David Smith	Mark Dance

The general state of the Kent economy continues to show good improvement with the working age employment rate growing faster in Kent than nationally, although growth is not even across the county with slower growth in the east of the county. JSA claimant rates are now down to levels not seen since 2008.



Service Area	Head of Service	Cabinet Member
Libraries, Registrations and Archives	Angela Slaven	Mike Hill

Results are up to December 2014.

Ref	Performance Indicators	Latest Quarter	Quarter RAG	DOT	Year to Date	YTD RAG	Target YTD	Floor YTD	Prev. Yr. YTD
LRA03	Average number of e-books issued per day	307	GREEN	↓	313	GREEN	247	217	228
LRA04	Average number of daily online contacts to the service	2,531	GREEN	↓	2,629	GREEN	2,566	2,166	3,485
LRA05	Number of ceremonies conducted by KCC officers	1,100	GREEN	↓	5,446	GREEN	4,700	4,100	5,139
LRA06	Customer satisfaction with Birth and Death Registrations	92%	AMBER	↓	94%	AMBER	95%	90%	New Indicator
LRA07	Customer satisfaction with ceremonies	99%	GREEN	↑	99%	GREEN	98%	90%	New Indicator
LRA08	Customer satisfaction with Libraries and Archives	95%	GREEN	↑	94%	GREEN	93%	90%	New Indicator

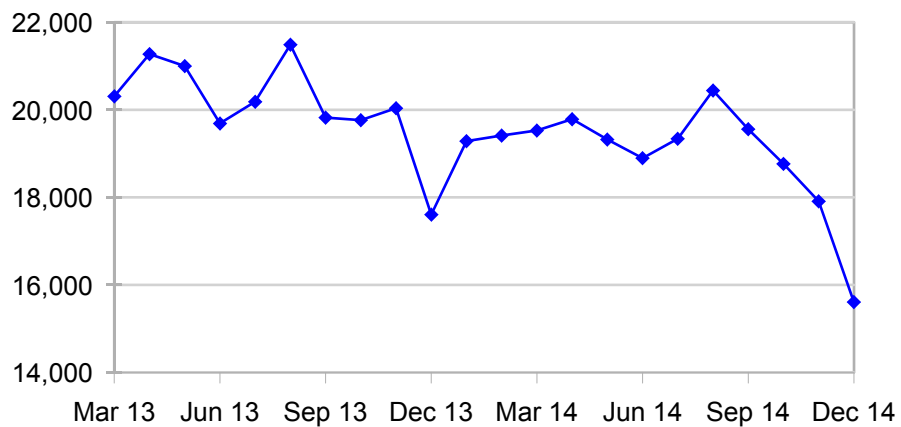
Service Area	Head of Service	Cabinet Member
Libraries, Registrations and Archives	Angela Slaven	Mike Hill

Ref	Activity Indicators	Year to date	In expected range?	Expected Activity		Prev. Yr YTD
				Upper	Lower	
LRA01	Number of visits to libraries per day (includes mobile libraries)	18,850	LOW	20,786	19,214	20,111
LRA02	Number of books issued per day (includes audio- and e-books)	17,094	LOW	18,908	17,467	18,396

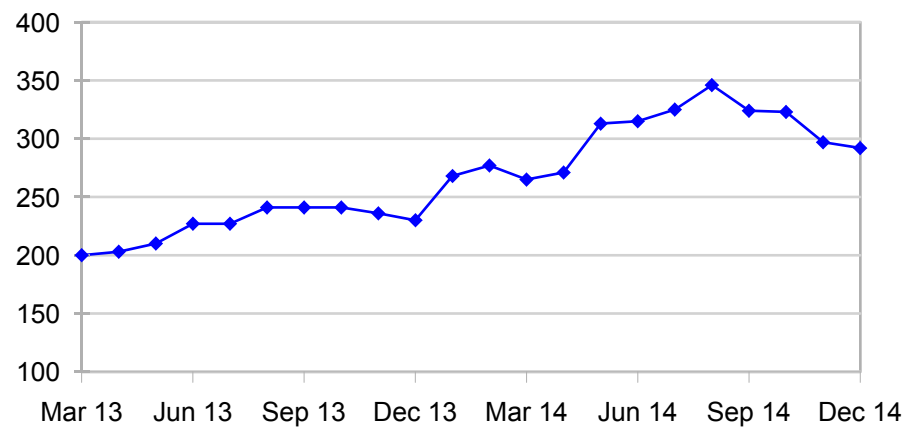
The anticipated decrease in issues and visits continues (the latter as the digital offer improves) and CIPFA has recently published a report that shows that the decline in our figures over time is not out of line with the national trend.

There was a significant drop in numbers in the last quarter as a result of the problems with PC access, and numbers should return to the expected range between the threshold levels for the next quarter.

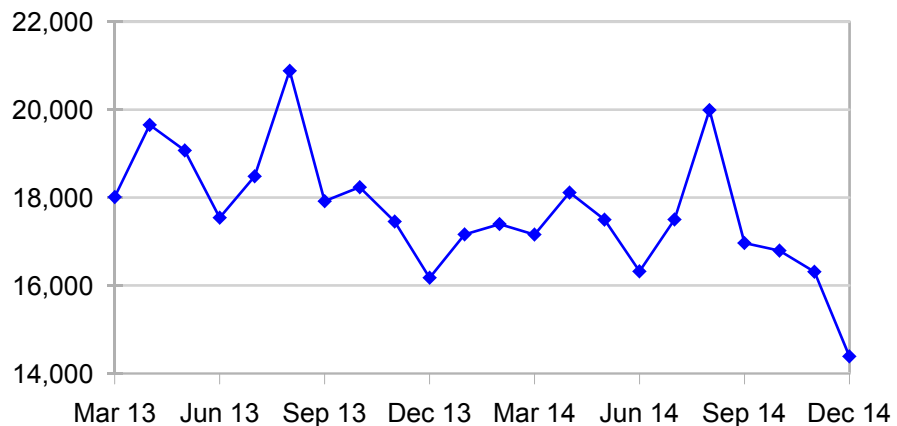
LRA01 - Number of visits to libraries per day



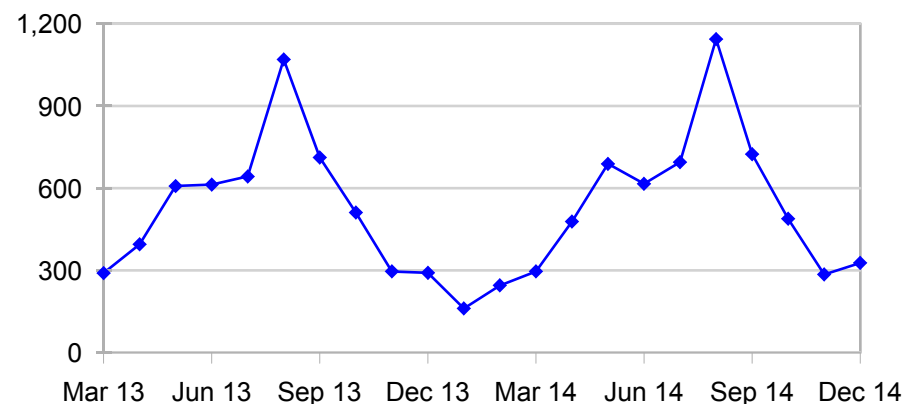
LRA03 - Average number of e-books issued per day



LRA02 - Number of books issued per day



LRA05 - Number of ceremonies conducted by KCC officers



Division	Director	Cabinet Member
Sports	Paul Crick	Mike Hill

Results are up to December 2014.

Ref	Performance Indicators	Year to Date	YTD RAG	Target YTD	Floor YTD	Prev. Yr. YTD
EPE09	Sports – Income levered into Kent (£000s)	2,239.6	GREEN	1,875	1,125	6,261

Division	Director	Cabinet Member
Arts Development	David Smith	Mike Hill

Ref	Performance Indicators	Year to Date	YTD RAG	Target YTD	Floor YTD	Prev. Yr. YTD
ED04	Funding levered into Arts and Culture (£000's)	4,003	GREEN	2,208	1,840	2,139

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From: Mark Dance, Cabinet Member for Economic Development
Mike Hill, Cabinet Member for Community Services
Barbara Cooper, Corporate Director for Growth, Environment & Transport

To: Growth, Economic Development and Communities Cabinet Committee – 14 April 2015

Subject: **Risk Management - Strategic Risk Register**

Classification: **Unrestricted**

Past Pathway of Paper: None

Future Pathway of Paper: None

Electoral Division: All

Summary: This paper presents the strategic risks relating to the Growth, Economic Development and Communities Cabinet Committee, in addition to a risk featuring on the Corporate Risk Register for which the Corporate Director is the designated 'Risk Owner'. The paper also explains the management process for review of key risks.

Recommendation(s):

The Cabinet Committee is asked to consider and comment on the risks presented.

1. Introduction

1.1 Directorate business plans are reported to Cabinet Committees each March / April as part of the Authority's business planning process. The plans include a high-level section relating to key directorate risks, which are set out in more detail in this paper.

1.2 Risk management is a key element of the Council's Internal Control Framework and the requirement to maintain risk registers ensures that potential risks that may prevent the Authority from achieving its objectives are identified and controlled. The process of developing the registers is therefore important in underpinning business planning, performance management and service procedures. Risks outlined in risk registers are taken into account in the development of the Internal Audit programme for the year.

- 1.3 Directorate risk registers are reported to Cabinet Committees annually, and contain strategic or cross-cutting risks that potentially affect several functions across the Growth, Environment & Transport directorate, and often have wider potential interdependencies with other services across the Council and external parties.
- 1.4 Corporate Directors also lead or coordinate mitigating actions in conjunction with other Directors across the organisation to manage risks featuring on the Corporate Risk Register. The Corporate Director for Growth, Environment & Transport directorate is designated 'Risk Owner' for several corporate risks, one of which (CRR 3 – access to resources to aid economic growth and enabling infrastructure) is of relevance to this Committee and is presented for comment in appendix 1.
- 1.5 A standard reporting format is used to facilitate the gathering of consistent risk information and a 5x5 matrix is used to rank the scale of risk in terms of likelihood of occurrence and impact. Firstly the current level of risk is assessed, taking into account any controls already in place to mitigate the risk. If the current level of risk is deemed unacceptable, a 'target' risk level is set and further mitigating actions introduced with the aim of reducing the risk to a tolerable and realistic level.
- 1.6 The numeric score in itself is less significant than its importance in enabling categorisation of risks and prioritisation of any management action. Further information on KCC risk management methodologies can be found in the risk management guide on the KNet intranet site.

2. Financial Implications

- 2.1 Many of the strategic risks outlined have financial consequences, which highlight the importance of effective identification, assessment, evaluation and management of risk to ensure optimum value for money.

3. Strategic Priorities and Policy Framework

- 3.1 Risks highlighted in the risk registers relate to strategic priorities of the *Facing the Challenge* KCC transformation agenda and achievement of outcomes in KCC's Strategic Statement, as well as the delivery of statutory responsibilities.
- 3.2 The presentation of risk registers to Cabinet Committees is a requirement of the County Council's Risk Management Policy.

4. Risks relating to the Growth, Environment & Transport directorate

- 4.1 There are currently seven directorate risks featured on the Growth, Environment & Transport directorate risk register (appendix 2), none of which are rated as 'High'. One risk is currently being assessed relating to dependencies on ICT that affect key systems across the directorate. Many of the risks highlighted on the register are discussed implicitly as part of regular items to Cabinet Committees.
- 4.2 Since last reported to Cabinet Committee in September 2014, two risks have been assessed as increasing in severity (GET 03 – partner organisations / contractors not offering the required service; and GET 05 – response and resilience to severe weather incidents). New risks have been added relating to skills shortage and capacity issues to manage contracts and projects; and dependencies on ICT.
- 4.3 Inclusion of risks on this register does not necessarily mean there is a problem. On the contrary, it can give reassurance that they have been properly identified and are being managed proactively.
- 4.4 Monitoring & Review – risk registers should be regarded as 'living' documents to reflect the dynamic nature of risk management. Directorate Management Teams formally review their risk registers, including progress against mitigating actions, on a quarterly basis as a minimum, although individual risks can be identified and added to the register at any time. Key questions to be asked when reviewing risks are:
- Are the key risks still relevant?
 - Have some risks become issues?
 - Has anything occurred which could impact upon them?
 - Has the risk appetite or tolerance levels changed?
 - Are related performance / early warning indicators appropriate?
 - Are the controls in place effective?
 - Has the current risk level changed and if so is it decreasing or increasing?
 - Has the "target" level of risk been achieved?
 - If risk profiles are increasing what further actions might be needed?
 - If risk profiles are decreasing can controls be relaxed?
 - Are there risks that need to be discussed with or communicated to other functions across the Council or with other stakeholders?

5. Recommendation

Recommendation:

The Growth, Economic Development and Communities Cabinet Committee is asked to consider and comment on the directorate risk register and relevant corporate risk outlined in appendices 1 and 2.

6. Background Documents

6.1 KCC Risk Management Policy and guidance on KNet intranet site.

7. Contact details

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KCC Corporate Risk Register

CORPORATE RISKS LED BY OFFICERS IN THE GROWTH ENVIRONMENT & TRANSPORT DIRECTORATE

**Corporate Risks led by Officers in the Growth Environment & Transport Directorate
Summary Risk Profile**

Low = 1-6 Medium = 8-15 High =16-25

Risk No.*	Risk Title	Current Risk Rating	Target Risk Rating
CRR 3	Access to resources to aid economic growth and enabling infrastructure	12	8

*Each risk is allocated a unique code, which is retained even if a risk is transferred off the Corporate Register. Therefore there will be some 'gaps' between risk IDs.

NB: Current & Target risk ratings: The 'current' risk rating refers to the current level of risk taking into account any mitigating controls already in place. The 'target residual' rating represents what is deemed to be a realistic level of risk to be achieved once any additional actions have been put in place. On some occasions the aim will be to contain risk at current level.

Likelihood & Impact Scales					
Likelihood	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
Impact	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)

Risk ID	CRR3	Risk Title	Access to resources to aid economic growth and enabling infrastructure				
		<p>Source / Cause of Risk</p> <p>The Council seeks access to resources to develop the enabling infrastructure for economic growth and regeneration.</p> <p>However, in parts of Kent, there is a significant gap between the costs of the infrastructure required to support growth and the Council's ability to secure sufficient funds through s106 contributions, Community Infrastructure Levy and other growth levers to pay for it. This is especially the case in the east of the county.</p> <p>At the same time, Government funding for infrastructure (for example via the new Local Growth Fund) is limited and competitive and increasingly linked with the delivery of housing and employment outputs. Several local transport schemes proposed will require preparatory work without knowledge of funding allocation in order to deliver on time.</p>	<p>Risk Event</p> <p>Inability to secure sufficient contributions from development to support growth.</p> <p>Failure to attract sufficient funding via the Local Growth Fund and other public funds to both support the cost of infrastructure and aid economic growth and regeneration.</p>	<p>Consequence</p> <p>Key opportunities for growth missed.</p> <p>The Council finds it increasingly difficult to fund KCC services across Kent and deal with the impact of growth on communities.</p> <p>Kent becomes a less attractive location for inward investment and business.</p> <p>Without growth the county residents will have less disposable income, face increased levels of unemployment and deprivation which could lead to heightened social and community tensions.</p> <p>Our ability to deliver an enabling infrastructure becomes constrained.</p>	<p>Risk Owner</p> <p>Barbara Cooper, Corporate Director Growth, Environment and Transport</p> <p>Responsible Cabinet Member(s):</p> <p>Mark Dance, Economic Development</p>	<p>Current Likelihood</p> <p>Possible (3)</p> <p>Target Residual Likelihood</p> <p>Unlikely (2)</p>	<p>Current Impact</p> <p>Serious (4)</p> <p>Target Residual Impact</p> <p>Serious (4)</p>
		Control Title				Control Owner	
		<i>Unlocking the Potential</i> prepared as Kent and Medway growth strategy to secure future Government infrastructure funds				David Smith, Director Economic Development	
		KCC's 20 year transport delivery plan, <i>Growth without Gridlock</i> sets out the key transport drivers for change which will help to facilitate and stimulate economic growth in the County. Implementation plan in place and regularly monitored.				Paul Crick, Director Environment Planning & Enforcement	
		Key infrastructure is identified and planned for as part of District Local Plans and Infrastructure Delivery Plans, plus work has been commissioned to develop a Growth and Infrastructure Framework for Kent & Medway.				Paul Crick, Director Environment Planning & Enforcement	
		Environment Planning & Enforcement and Economic Development teams working with each individual District on composition of infrastructure plans including priorities for the CIL and Section 106 contributions, from which gaps can be identified				David Smith, Director Economic Development / Paul Crick, Director Environment Planning &	

		Enforcement
Coordinated approach in place between Development Investment Team and service directorates		David Smith, Director Economic Development
Dedicated team in Economic Development in place to lead on major sites across Kent.		David Smith, Director Economic Development
Economic Development SMT review of "critical" programmes/projects and review of KPIs to ensure continued appropriateness and relevance		David Smith, Director Economic Development
Strong engagement of private sector through Kent and Medway Economic Partnership (KMEP), Business Advisory Board and Kent Developer' Group		David Smith, Director Economic Development
Growth Deal allocation announced, July 2014, allocating funds for specific identified schemes in Kent and Medway		Ross Gill, Economic Strategy & Policy Manager
Action Title	Action Owner	Planned Completion Date
Maintain coordinated dialogue with developers, Districts and KCC service directorates	Nigel Smith, Head of Development	April 2015 (review)
Development & delivery of programme of transport interventions to deliver growth to utilise first round of Local Growth Fund monies	Ann Carruthers, Head of Strategic Planning and Policy	April 2015
Development of Growth and Infrastructure Framework for Kent & Medway – to set out infrastructure requirements to support growth across Kent to 2031	David Smith, Director Economic Development	May 2015



GROWTH, ENVIRONMENT AND TRANSPORT DIRECTORATE RISK REGISTER

MARCH 2015

Summary Risk Profile

Low = 1-6
Medium = 8-15
High =16-25

Risk No.*	Risk Title	Current Risk Rating	Change since July 2014	Target Risk Rating
GET 01	Delivery of budgets targets	15	↔	10
GET 02	Health & Safety considerations	10	↔	10
GET 03	Partner organisations/contractors not offering the required level of service	9	↑	6
GET 04	Ash Dieback	12	↔	9
GET 05	Response and resilience to severe weather incidents	15	↔	8
GET 08	Skills shortage and capacity issues to manage contracts and projects	12	NEW	6
GET 09 (DRAFT)	Loss of ICT systems	TBC	NEW	TBC

*Each risk is allocated a unique code, which is retained even if a risk is transferred off the Directorate Register. Therefore there will be some 'gaps' between risk IDs.

NB: Current & Target risk ratings: The 'current' risk rating refers to the current level of risk taking into account any mitigating controls already in place. The 'target residual' rating represents what is deemed to be a realistic level of risk to be achieved once any additional actions have been put in place. On some occasions the aim will be to contain risk at current level.

Likelihood & Impact Scales					
Likelihood	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
Impact	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)

Risk ID	GET 01	Risk Title	Delivery of budget targets 2015/16			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
Financial challenges facing services across the directorate. For example a number of services across the directorate rely on significant external funding, grants and partner contributions in order to provide their services. Demand for some services can also fluctuate.	There is a risk that budget targets are not met, including the risk of greater than planned for reduction or cessation of external funding and grants, or reduced funding.	Insufficient budget or an overspend. Lack of funding to deliver key transport and waste improvements. Reputational damage. Overspend could impact on other parts of the Authority.	GET Directorate Management Team	Possible (3)	Major (5)	
				Target Residual Likelihood	Target Residual Impact	
				Unlikely (2)	Major (5)	
Control Title			Control Owner			
Regular monitoring of fees through budget process.			GET Directorate Management Team			
Financial forecasting and intelligence analysis through pre-application liaison and operator discussions by the planning applications group to gauge possible income levels.			Sharon Thompson, Head of Planning Applications			
External funding team in place to support KCC officers in identifying and accessing external funding in line with strategic outcomes.			Katie Stewart, Deputy Director, Economic Devt / Ron Moyes, Head of International Affairs			
A 3-5 year forecast to incorporate future contracts and accepted various waste tonnage scenarios has been completed.			Roger Wilkin, Interim Director of Highways, Transportation & Waste			
KCC Officers regularly review progress of cases and monitor fee expenditure relating to major projects			John Farmer, Major Projects Manager			
Collaborative Planning is used for financial monitoring within services. DMT receive regular financial monitoring updates			GET Directorate Management Team			
Full participation in KCC Medium Term Financial Plan and financial monitoring processes.			GET Directorate Management Team			
Innovative financial models investigated to pay for key projects transport infrastructure			Paul Crick, Director Environment, Planning & Enforcement			

Action Title	Action Owner	Planned Completion Date
Service redesign being planned and delivered across the directorate.	GET Directorate Management Team	31 st March 2016
Transport Review – consideration of business case	Phil Lightowler, Head of Public Transport	October 2015
Libraries Registration & Archives Trust proposal – outcome of public consultation	Angela Slaven, Interim Head Libraries, Registration & Archives	June 2015
Ensure robust scrutiny of Waste contract	Roger Wilkin, Interim Director Highways, Transportation & Waste	October 2015 (review)

Risk ID	GET 02	Risk Title	Health & Safety considerations			
Source / Cause of risk		Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
Services across the directorate need to pay due regard to potential Health and Safety issues due to the nature of the work they undertake.		There is a risk of death, or serious injury to the public, KCC staff or contractors, where KCC fails to take all reasonable steps to prevent such an incident.	Distress to families concerned, possible legal action against the authority and reputational damage.	GET Directorate Management Team	Unlikely (2)	Major (5)
					Target Residual Likelihood	Target Residual Impact
					Unlikely (2)	Major (5)
Control Title				Control Owner		
Maintain sound Health and Safety systems at waste sites including reviewing accidents and near-misses.				Roger Wilkin, Interim Director, Highways, Transportation & Waste		
Staff to follow Health and Safety legislation and guidance				GET Directorate Management Team		
Regular reporting of accident data and H&S updates to Senior managers.				GET Directorate Management Team		
Regular risk assessments of all Directorate sites and hazards				GET Directorate Management Team		
Lone working system operated by contact centre staff				Christopher Smith, Head of Contact Centre/GET Directorate Management Team		
EPE Divisional Health and Safety group in place and meets quarterly and reports to Divisional Management Team.				EPE Divisional Management Team		
Systems in place in Highways division to facilitate the agreed joint procedures through the CaRe and Kent Police partnerships				Tim Read, Head of Transportation		
Killed and Seriously injured (KSI) on roads data regularly analysed by the Highways Team and Education. Publicity and training campaigns delivered.				Tim Read, Head of Transportation		
Highways - Crash remedial sites are identified and rectified.				Tim Read, Head of Transportation		
Regular testing for hazards e.g. tree surveys.				GET Directorate Management Team		
To ensure recommendations of the independent Health and Safety review are monitored and improved as required				Roger Wilkin, Interim Director Highways, Transportation & Waste		

Action Title	Action Owner	Planned Completion Date
Health & Safety audit commissioned to incorporate all waste sites run by new contractor	Roger Wilkin, Interim Director Highways, Transportation & Waste	June 2015
Ensure Health & Safety records from waste contractors are captured.	Roger Wilkin, Interim Director Highways, Transportation & Waste	June 2015
Further H&S training planned through the Kent Resource Partnership (KRP)	Roger Wilkin, Interim Director Highways, Transportation & Waste	31 st March 2015

Risk ID	GET 03	Risk Title	Partner Organisations/contractors not offering the required level of service.				
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	Target Residual Likelihood	Target Residual Impact
KCC - including services across the GET directorate, work closely with partners and contractors to provide its services to the people of Kent	Partner organisations or contractors do not provide the required level of service to the public.	Efficient/good value for money/high quality services are not provided.	GET Directorate Management Team	Possible (3)	Significant (3)	Unlikely (2)	Significant (3)
Control Title				Control Owner			
Waste management - robust contract management and client function.				Roger Wilkin, Interim Director Highways, Transportation & Waste			
Waste Management - Rigorous programme of pre-qualification checks on potential contractors to assure ability to deliver.				Roger Wilkin, Interim Director Highways, Transportation & Waste			
Service Level Agreements are put in place where services are provided by a third party.				David Beaver, Commercial Manager			
Amey to produce a monthly performance report showing QPM results.				Roger Wilkin, Interim Director Highways, Transportation & Waste			
Partners have business continuity plans, risk registers, performance management and governance arrangements in place				Roger Wilkin, Interim Director Highways, Transportation & Waste			
Monitoring of outcomes from Regional Growth Fund loans.				David Smith, Director Economic Development			
Transport Integration - risk analysis conducted as part of individual contract arrangements with third parties				Stephen Pay, Transport Integration Manager			
Action Title		Action Owner		Planned Completion Date			
Ensure robust monitoring and enforcement of improvement plan with highways contractor		Roger Wilkin, Interim Director of Highways, Transportation & Waste		June 2015 (review)			
Strengthen approach to managing contracts across the directorate		Growth, Environment & Transport Directorate Management Team		March 2016 (review)			

Risk ID	GET 04	Risk Title	Ash Dieback			
Source / Cause of risk		Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
Instances of Ash Dieback (Hymenoscyphus fraxineus) disease have been discovered within the county. The outbreak is not widespread and research during the last 12 months indicates that although it is still prevalent in the east of the County, the disease is not spreading at a rate that was anticipated.		There is a risk that significant numbers of ash trees may be affected by this disease in Kent. Ash is the most widespread tree species in Kent.	Large areas of woodland and individual trees may become infected, but as the rate of spread is much slower than anticipated the impact on budgets and services is likely to be much less severe than originally anticipated.	Paul Crick, Director Environment Planning & Enforcement	Likely (4)	Significant (3)
					Target Residual Likelihood	Target Residual Impact
					Possible (3)	Significant (3)
Control Title				Control Owner		
Local Strategic Co-ordinating Group established.				Ann Carruthers, Head of Strategic Planning & Policy / Paul Crick, Director Environment Planning & Enforcement		
Interim bio-security precautions established and ratified by UK Chief Plant Health Officer				Ann Carruthers, Head of Strategic Planning & Policy / Paul Crick, Director Environment Planning & Enforcement		
Interim Hymenoscyphus fraxineus control Plan published by DEFRA				Mike Overbeke, Head of Public Protection		
Multi-agency "Gold" strategy developed to manage the response in Kent, agreed by all parties and published.				Ann Carruthers, Head of Strategic Planning & Policy / Paul Crick, Director Environment Planning & Enforcement		
Direct link set up between KCC, DEFRA, the Food and Environment Research Agency (FERA), Forestry Commission and local partners in Kent to ensure a consistent approach in dealing with the outbreak.				Mike Overbeke, Head of Public Protection / Paul Crick, Director Environment Planning & Enforcement		
Ash Dieback summit held in Kent, featuring national and International experts and other interested parties.				Ann Carruthers, Head of Strategic Planning & Policy / Paul Crick, Director Environment Planning & Enforcement		
Local multi-agency plan developed to implement the key actions in the local gold strategy and the Defra interim				Mike Overbeke, Head of Public		

Hymenoscyphus fraxineus Control Plan	Protection / Paul Crick, Director Environment Planning & Enforcement	
Communication Strategy presented to Strategic Co-ordination Group and published. In line with National Plan.	Mike Overbeke, Head of Public Protection / Paul Crick, Director Environment, Planning & Enforcement	
"Managing Chalara Ash Dieback in Kent" guidance published and circulated/made available in web based format.	Tony Harwood, Resilience & Emergencies Manager	
Briefings provided to CMT, Cabinet re the current position of spread and risk to KCC services	Ann Carruthers, Head of Strategic Planning & Policy / Paul Crick, Director Environment, Planning & Enforcement	
Dynamic monitoring of Forestry Commission outbreak mapping taking place	Tony Harwood, Resilience & Emergencies Manager	
Public Rights of Way staff and their network of Countryside Partnerships, Country Parks and Access Wardens to look out for outbreaks across Kent	Kate Phillips, Countryside Partnerships Manager	
Action Title	Action Owner	Planned Completion Date
Further briefings anticipated to be delivered to Senior Management and Members during 2015	Tony Harwood, Resilience & Emergencies Manager	31 st October 2015

Risk ID	GET 05	Risk Title	Response and Resilience to Severe Weather incidents				
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	Target Residual Likelihood	Target Residual Impact
The number of severe weather events affecting the county has increased in the past few years, which can have a significant impact on all GET services, businesses and the Kent community. A number of services within the directorate play an important role in planning for, and responding to, these events.	Failure by key services to deliver suitable planning measures, respond to and manage these events when they occur.	Excessive damage/congestion/ closed roads following severe weather leading to disruption to the public of Kent including KCC staff. This in turn would impact on key services being delivered by the directorate and reputational damage for KCC if responses are judged to be inadequate.	Paul Crick, Director Environment Planning & Enforcement John Burr, Director Highways, Transportation & Waste	Very Likely (5)	Significant (3)	Likely (4)	Moderate (2)
Control Title			Control Owner				
Winter Policy in place each year			Andrew Loosemore, Head of Highways Operations				
Support gained from the local community who undertake snow ploughing			Andrew Loosemore, Head of Highways Operations				
Priority salting routes agreed and published and plan to ensure salt bins are provided and filled			Andrew Loosemore, Head of Highways Operations				
Local Emergency Plans agreed and published with districts/borough councils.			Andrew Loosemore, Head of Highways Operations				
Carry out a lessons learnt review after each winter			Andrew Loosemore Andrew Loosemore, Head of Highways Operations				
Growth, Environment and Transport services are involved in the recovery efforts relating to the Christmas and New Year floods. The multi-agency Tactical Coordinating Group that oversees the management of recovery operations is chaired by the Flood Recovery Manager.			Paul Crick, Director Environment, Planning & Enforcement				
Training is available and being rolled out at strategic, tactical and operational level			Tony Harwood, Resilience & Emergencies Manager / Ann Carruthers, Head of Strategic Planning & Policy				

Business Continuity Plans are kept under constant review		Tony Harwood, Resilience & Emergencies Manager / Ann Carruthers, Head of Strategic Planning & Policy
Emergency Conditions reserve has been replenished due to receipt of Government funding		Mike Overbeke, Head of Public Protection
Local Flood Risk Strategy delivered and Flood Risk Management Plan in place		Tony Harwood, Resilience & Emergencies Manager
Senior Management on-call rota devised and now in place		Paul Crick, Director Environment Planning & Enforcement
Severe Weather Impacts Monitoring System (SWIMS) now in use to support the Authority with its response to extreme events		Carolyn McKenzie, Head of Sustainable Business and Communities
Operation Loki Business Continuity Exercise conducted,		Tony Harwood, Resilience & Emergencies Manager
Action Title	Action Owner	Planned Completion Date
Recommendations from the Winter Flooding Plan to be delivered	Mike Overbeke, Head of Public Protection / Sarah Anderson, Flood Risk and Natural Environment Manager	31 st March 2016
Conduct regular exercises and rehearsal of BC plans – where there would be significant impact on welfare or business reputation	Tony Harwood, Resilience & Emergencies Manager	31 st March 2016

Risk ID	GET 08	Risk Title	Skills shortage and capacity issues to manage contracts and projects			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
Funding has been received to deliver major infrastructure projects. The funding is being administered by Essex CC (on behalf of the South East Local Enterprise Partnership), and detailed business cases are required to be completed to obtain the funding through Essex CC.	There is a risk that KCC will be unable to satisfactorily submit suitable business cases and manage the projects due to a shortage of staff with the appropriate skill set within KCC. In addition it is possible that the Authority will be unable to attract suitably trained project managers as the private sector remains competitive in this area.	Funding may not be forthcoming if suitable business cases are not presented, however, even when the funding has been received, the major projects may not be managed appropriately leading to possible delays or difficulties with the funding arrangements. This could impact on the Authority's reputation and even lead to the Authority having to return some of the funding to Central Government.	GET Directorate Management Team	Likely (4)	Significant (3)	
				Target Residual Likelihood	Target Residual Impact	
				Unlikely (2)	Significant (3)	
Control Title			Control Owner			
An Organisational Development Plan has been prepared in order to develop talents within the Authority and to deliver suitable training to staff			GET Directorate Management Team			
Growth, Environment & Transport Portfolio Board established to monitor key risks and issues			Barbara Cooper, Corporate Director Growth, Environment & Transport			
Local Growth Fund Project and Steering Group established			Mary Gillett, Major Projects Planning Manager			
Workforce planning exercise conducted with Highways, Transportation & Waste division to identify gaps in relation to critical roles and recommendations for action and next steps			Roger Wilkin, Interim Director Highways, Transportation & Waste			
Action Title		Action Owner	Planned Completion Date			
Consultation is taking place with Amey to establish if they have sufficient suitably trained staff to take on project management roles		Roger Wilkin, Interim Director Highways, Transportation & Waste	30 th June 2015			
Deliver an Institute of Civil Engineers (ICE) –accredited civil engineering graduate scheme.		Roger Wilkin, Interim Director Highways, Transportation & Waste	30 th September 2015			
Incorporate workforce planning issues into the Enforcement, Planning &		Paul Crick, Director Environment, Planning	30 th September 2015			

Risk ID	GET09 (DRAFT)	Risk Title	Loss of ICT systems (risk assessment in progress)			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
In order to improve the efficiency of the services within the Directorate a number of ICT systems have been developed that in time have become critical to the delivery of the services. Systems such as WAMS, SWIMS, Citrix, Atrium, Spydus, CaRa, RON, CALM and CAMS all rely on KCC or external partners. In addition the new telephone system is reliant upon having a working internet system in order to operate.	There is a risk that an incident may take place that will impact on the operation of one or more of our critical systems causing a disruption or suspension of the services affected.	Depending upon the nature of the disruption it is possible that the public of Kent will be affected and it would result in a delay in our service delivery. This would have an impact on the reputation of the Authority and in an extreme example could impact on the safety of the public.	Barbara Cooper, Corporate Director GET GET Directorate Management Team	TBC	TBC	
				Target Residual Likelihood	Target Residual Impact	
				TBC	TBC	
Control Title			Control Owner			
Business Continuity Plans are in place and highlight critical systems			GET Directorate Management Team			
Information backed up daily by ICT and back-ups held off-site			GET Directorate Management Team			
Action Title	Action Owner		Planned Completion Date			
Discussions with ICT around the options to ensure that Atrium can continue to run on PAB machines	Sharon Thompson, Head of Planning Applications		31 st March 2015			
Make revisions to Business Continuity Plans to reflect changes to Divisional Management Team	Paul Crick, Director Environment Planning & Enforcement		31 st March 2015			

By: Mark Dance
Cabinet Member Economic Development

Barbara Cooper
Corporate Director – Growth Environment and Transport

To: Growth, Economic Development and Communities Cabinet
Committee – 14 April 2015

Subject: Information on Key Decision

Classification: Unrestricted

Past pathway of paper: None

Electoral Division: All

Background Information

In November 2011 the Department of Business, Innovation and Skills (BIS) allocated £35 million for the Expansion East Kent scheme. The Expansion East Kent scheme provides funds for companies with investment plans that will lead to job creation.

This report provides information on the allocation of a loan for £1,021,000 to a company aiming to be based on the Discovery Park site in Sandwich which was taken as an Urgent Key Decision on 16th February 2015.

Recommendation

Members of Growth, Economic Development and Communities Cabinet Committee are asked to NOTE the decision taken.

1. Summary of Urgent Key Decision

- 1.1 The Leader on 16th February took an urgent decision to formally approve a recommendation of the Investment Advisory Board to the East Kent Expansion scheme to award a loan of £1,021,000 to an applicant.
- 1.2 All Members of the Scrutiny Committee were given access to the documents. The majority of the papers and background documents relating to this decision are exempt from publication under paragraph 3 of schedule 12a of the Local Government Act 1972 and could only be viewed via Knet and not the Council's external website. Now that the company has received the funding, its name can be disclosed publicly although the details of the funding conditionality are commercially confidential.

2. The Loan

- 2.1 MiddletonMurray Limited was founded in Sidcup by Angela Middleton in 2002 as a recruitment consultancy placing temporary and permanent staff with employment in London and the South East.
- 2.2 The purpose of the loan was to enable MiddletonMurray to set up offices in East Kent. The funding contributes to the cost of establishing a new MiddletonMurray centre in Canterbury and a satellite office in Discovery Park, Sandwich that will service the East Kent area. These new offices would provide training services to businesses and learners, improving skills, creating jobs and getting NEETs into work via apprenticeships in East Kent. They will create 45 direct new jobs in the East Kent offices whose work will result in over 2,000 East Kent unemployed and NEETs obtaining local employment over a period of 7 years.
- 2.3 MiddletonMurray aim to replicate their successful business model for East Kent, leveraging their core capabilities in sales, marketing, delivery and operations to deliver a unique and powerful proposition to learners and employers, providing them with a significant differentiator to their competition.
- 2.4 In 2004, the Company opened offices in the City of London and Bexley. In 2006, it opened an office in Wolverhampton to become a national provider of temporary skilled workers. It also received Investors in People accreditation. In 2008, it won the first government contract for training newly unemployed people. In 2011, it was part of the Mayor's apprenticeship programme for London and opened an office in Singapore (which turned out to be unsuccessful). In 2014, the company won the "Best Medium Size Business" at Bexley Business Awards. MiddletonMurray is one of 40 approved Apprenticeship Training Agencies in the UK and the first training provider to be accredited by the Recruitment and Employment Confederation. They are currently the largest provider of 16-24 apprenticeship in the UK and deliver these at an Ofsted Outstanding Level One.

3. Urgency

- 3.1 The decision was taken in accordance with procedures for special urgency set out in The Local Authorities (Executive Arrangements) (Meetings and Access to Information) 2012 regulations and as such the Chairman and the relevant senior manager both agreed that the decision was urgent, and could not reasonably be deferred in order to complete the normal statutory requirements, without presenting a risk to the Council, the successful completion of the loan and to the consequential realisation of associated benefits.
- 3.2 In addition and in accordance with local procedures, the group spokespeople of the Scrutiny Committee were informed of the Leader's intention and invited to meet with him on Friday 13th February to discuss the proposal before the decision was finalised on Monday 16th February 2015.

4. **Recommendation:**

Members of Growth, Economic Development and Communities Cabinet Committee are asked to NOTE the information contained in this report.

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