

KENT COUNTY COUNCIL

SELECT COMMITTEE - KENT'S EUROPEAN RELATIONS

MINUTES of a meeting of the Select Committee - Kent's European Relations held in the Wantsum Room, Sessions House, County Hall, Maidstone on Tuesday, 28 July 2015.

PRESENT: Mr A J King, MBE (Chairman), Mr A H T Bowles, Mr D S Daley, Mr G Lymer, Mrs P A V Stockell, Mr R Truelove, Mr R A Latchford, OBE and Mr H Birkby

ALSO PRESENT: Mr M C Dance

IN ATTENDANCE: Mr R Moys (Head of International Affairs) and Mr J Cook (Scrutiny Research Officer)

UNRESTRICTED ITEMS

17. Kent's European Relations Recommendations - Progress report (Item 1)

1. The Chairman welcomed Mr Dance as the responsible Cabinet Member and Ron Moys (Head of International Affairs). The Chairman explained that the purpose of the meeting was to discuss and note the progress that had been made on the specific recommendations agreed by the Committee in its report in 2014. He advised the guests that the Committee proposed to review each recommendation in turn with an opportunity for questions.

2. Mr Dance introduced the progress report, commenting that it included an Action Plan that highlighted the key work streams and successes in relation to addressing the recommendations. He commended the report to the Committee, stating that it represented clarity of purpose and good progress in making the most productive use of Kent's relationship with Europe.

Recommendation 1:

3. Mr Dance and Mr Moys explained to the Committee that the work undertaken to maximise funding opportunities from Europe was evidenced through a log of all projects, appropriately RAG rated (Red / Amber / Green). Most of the new programmes were launched in February and March under a two-stage process (allowing for expressions of interest to be lodged). In total, KCC's first stage bids amounted to £16m and outcomes of the bids would be revealed in Autumn 2015.

4. Mr Moys provided examples of successful first stage bids under the South East Local Enterprise Partnership ESIF programme such as a Low Carbon project (£2.5m grant for KCC), a £200k grant under Interreg for SME internationalisation and £2.7m for re-signalling work at Ashford from the Connecting Europe Facility. Eight of the eleven eligible bids under the rural strand of the ESIF programme were from small Kent rural businesses, with a total value of just under £1m. Several rural projects had all successfully secured around £50k each, examples including local

developments such as vineyards and apple processing which encouraged economically positive use of rural land in an appropriate manner. Members noted the positive work achieved via the rural projects and were pleased to hear that Kent is a leader in rural development work and that Essex County Council was keen to learn from its example.

Recommendation 2:

5. Mr Moys explained that KCC's International Strategy had been updated to reflect KCC's strategic outcomes, appropriately aligned with European priorities such as innovation, low carbon, promoting trade and international rail connectivity. This synchronisation of priorities enhanced the opportunities to access European funding due to the jointly desired outcomes.

Recommendation 3:

6. In terms of developing partnerships, Members discussed the local actions available for communities and Members to influence European activity, including lobbying and engaging with Members of the European Parliament (MEPs). It was agreed that it was the responsibility of elected representatives to carry forward this element of the recommendations, using communications between the various types of elected members. Mr Dance suggested that Members with concerns or issues they wished to raise in relation to Kent's European Relations could contact him in order to co-ordinate the engagement with MEPs to make it focused and more effective. Reference was made to Operation Stack as an example of a cross-border issue that would benefit from improved liaison via MEPs, MPs and KCC Members.

7. Mr Dance, responding to questions about successful co-operation so far, explained that the work on agri tech and the Biogateway, as well as shared art & design and textiles expertise have all contributed positively to the success made possible through the KCC presence in Europe. Members commented positively on Kent's involvement in West Flanders as the industrial heart of northwest Europe.

Recommendation 4:

8. Mr Moys provided an update on the work of the Hardelot Centre, stating that it had become almost self-financing with an expectation that it would return a profit within a year. This represented good progress and demonstrated the benefit of improved marketing which had successfully attracted more clients. Mr Dance explained that the Centre has been actively marketed with UK schools, with direct engagement undertaken in Kent to promote the Centre's facilities. This had already yielded positive results with several local schools making use of the service. Mr Moys advised the Committee that the Centre now had French legal status, meaning that it was able to get accreditation and expand its market reach to include French service users.

9. Members commented that the progress being made was positive, particularly in light of the struggles the Hardelot Centre had faced previously. It was noted that external contracts were welcome but could not be relied upon and that self-sufficiency had to be the priority. Mr Dance explained that the immediate goal of the Centre was to prove that it could return a sustainable profit, commenting that if this

were not possible consideration would be given to selling the Centre. However, Mr Dance emphasised that the current intention was to invest where possible in order to increase income year on year, whilst keeping in mind the potential need to recoup investment funds should profits not continue. Mr Dance advised the committee that additional uses and revenue streams were being examined as, historically, some opportunities had been missed due to the Centre's limitations on investment and the issue of its legal status that had since been addressed.

10. While some Members were sceptical of the Centre's long term profitability, the Committee welcomed the positive progress. Specific positive elements included the fact that the Centre was booking two years in advance, that the future involvement of French schools had improved the income generation potential and that developments at Hardelot Castle, such as the building of a replica of the Globe Theatre, could improve the marketability of the Hardelot Centre.

Recommendation 5:

11. Mr Moys explained that the relocation of the KCC's Brussels team to a joint office had resulted in a 20% saving in rent and that the co-location with key partners was expected to yield long term strategic benefits through better aligned project streams and shared expertise and contacts.

Recommendation 6:

12. Mr Moys explained that the degree to which Directorates could contribute to EU funding work was subject to staffing constraints. However, although the Growth, Environment & Transport Directorate currently managed most EU-funded projects, all Corporate Directors were encouraging the development of strategic projects aligned to European funding programmes; this was also being supported by the current organisation-wide focus on strategic outcomes.

Recommendation 7:

13. Mr Moys explained that the wider adoption of digital communications (e.g Skype) had not been possible due to security concerns raised by the Information & Communications Technology department (ICT). Despite this, increased use of teleconference facilities had improved efficiency to some degree.

Recommendation 8:

14. Mr Moys explained that the work was ongoing with KCC Internal Communications to raise the profile of the International Affairs Group and the potential to make use of European funding for relevant projects. The Committee was advised that while external engagement was still taking place, the focus at present was to ensure all KCC Directorates were fully aware of how to maximise their capacity to make effective use of Kent's European Relations and how to promote success stories of relevant work already undertaken.

Recommendation 9:

15. Mr Moys advised the Committee that KCC was working in partnership with Kent's small and medium sized businesses to promote relevant European funding

opportunities, and that several new KCC EU projects had been developed covering support to SMEs, inward investment (Locate in Kent) and international trade (trade fairs and export).

Recommendation 10:

16. Members discussed the expectations around ensuring effective international rail connectivity. Mr Dance noted that Network Rail needed to meet their timetables and wider obligations and that KCC would continue to identify appropriate funding streams to support ongoing development and improvements. Members commented that the Leader of Ashford Borough Council, Cllr Gerry Clarkson, has been doing excellent work in engaging with central government and key partners to ensure that progress continued at pace.

RESOLVED that the Committee note the report and that a further meeting would be held in six to twelve months to review further progress.