

**GROWTH ECONOMIC DEVELOPMENT AND  
COMMUNITIES CABINET COMMITTEE**

**Wednesday, 22nd March, 2017**

**10.00 am**

**Council Chamber, Sessions House, County Hall,  
Maidstone**





## AGENDA

### GROWTH ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE

**Wednesday, 22 March 2017 at 10.00 am**  
**Council Chamber, Sessions House, County Hall,**  
**Maidstone**

Ask for: **Ann Hunter**  
Telephone: **03000 416287**

*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, Mr J A Kite, MBE, Mr G Lymer,  
Mr C Simkins and Vacancy

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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#### **UNRESTRICTED ITEMS**

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

#### **A - Committee Business**

A1 Introduction/Webcast announcements

A2 Apologies and Substitutes

To receive apologies for absence and notification of any substitutes present

A3 Declarations of Interest by Members in items on the Agenda

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

- A4 Minutes of the meeting held on 19 January 2017 (Pages 9 - 14)  
To consider and approve the Minutes as a correct record
- A5 Presentation - Promoting Kent Food and Drink Exports  
To receive a presentation on Promoting Kent Food and Drink Exports
- A6 Verbal updates by Cabinet Members and Corporate Director  
To receive verbal updates by the relevant Cabinet Members

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

- B1 16/00148 A2 Bean and Ebbsfleet Junction Improvement - funding contribution by the Strategic Transport Infrastructure Programme (STIP) (Pages 15 - 28)  
To receive a report from the Cabinet Member for Economic Development and the Corporate Director for Growth, Environment and Transport which asks the Cabinet Committee to consider and endorse or make recommendations on the proposed decision to approve the full and final contribution from the Strategic Transport Infrastructure Programme towards the A2 Bean and Ebbsfleet junction improvements and support the approach that KCC will not forward fund or guarantee the proposed contribution
- B2 17/00017 Dartford Town Centre transport improvements and public realm works - Approval to enter in to a Legal Agreement (Pages 29 - 36)  
To receive a report from the Cabinet Member for Economic Development and the Corporate Director for Growth, Environment and Transport which asks the Cabinet Committee to consider and endorse, or make recommendations on the proposed decision to delegate authority to the Corporate Director for Growth, Environment and Transport and the Corporate Director for Finance and Procurement, to negotiate and execute legal and/or partnership agreements for the delivery of the Dartford Town Centre scheme
- B3 17/00018 KCC Records Management storage procurement (Pages 37 - 52)  
To receive a report from the Cabinet Member for Community Services and the Corporate Director for Growth, Environment and Transport which asks the Cabinet Committee to consider and endorse the proposed approach or make recommendations on a proposed decision to delegate the award and signing of the contract to KCC officers following completion of the tender evaluation process
- B4 Draft Cultural Strategy (Pages 53 - 66)  
To receive a report from the Cabinet Member for Community Services and the Corporate Director Growth, Environment and Transport which asks the Cabinet Committee to consider the draft strategy document and offer comments to the Cabinet Member for Community Services

- B5 17/00032 Local Growth Fund, Round Three and SELEP working group schemes (Pages 67 - 78)

To receive a report from the Cabinet Member for Economic Development and the Corporate Director for Growth, Environment and Transport which explains the projects for which grant funding is sought, sets out KCC's role, outlines the process that will be followed to secure the funding and seeks the support of the Cabinet Committee for KCC to accept Government grant funding and transfer it to the respective delivery organisation, subject to approval of a full business case

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

- C1 Growth, Environment and Transport Directorate Business Plan 2017-18 (Pages 79 - 124)

To receive a report from the Cabinet Member for Economic Development, the Cabinet Member for Community Services and the Corporate Director for Growth, Environment and Transport that asks the Cabinet Committee to consider and comment on the final draft Growth, Environment and Transport Directorate Business Plan (2017-18) and note that the final Directorate Business Plan will be published online in April 2017

- C2 Risk Management: Growth, Environment and Transport Directorate (Pages 125 - 148)

To receive a report from the Cabinet Member for Economic Development, the Cabinet Member for Community Services and the Corporate Director for Growth, Environment and Transport which asks the Cabinet Committee to consider and comment on the directorate risk register and relevant corporate risks outlined in appendices 1 and 2 of the report

- C3 Impact of 2017 Business Rate Revaluation and Small Business (Pages 149 - 180)

To receive a report from the Cabinet Member for Economic Development, the Deputy Leader and Cabinet Member for Finance & Procurement and the Head of Financial Strategy that explores the background to the 2017 revaluation, how the revaluation has impacted on Kent properties compared to South East and the rest of England

- C4 Kent Wide Area Review 2016/17 (Pages 181 - 186)

To receive a report from the Cabinet Member for Education and Health Reform and the Corporate Director for Education and Young People's Services which asks the Cabinet Committee to note the progress to date of the Kent Area Review

- C5 Kent and Medway Employer Guilds (Pages 187 - 202)

To receive a progress report from the Cabinet Member for Education and Health Reform and the Corporate Director for Education and Young People's Services on the operation of the Kent & Medway Employer Guilds explaining their inception, development, membership, early impact and future priorities

C6 Ebbsfleet Development Corporation's Implementation Framework (Pages 203 - 220)

To receive a report from the Cabinet Member for Economic Development and the Corporate Director for Growth, Environment and Transport which asks the Cabinet Committee to recommend that the Cabinet Member for Economic Development advises the Ebbsfleet Development Corporation that the County Council endorses the Ebbsfleet Implementation Framework, as the EDC's statement of ambition for the Garden City, and will work closely with the EDC to secure the necessary infrastructure to deliver well planned housing and economic growth for the benefit of the local community and the wider area

C7 Building our Industrial Strategy Green Paper - Briefing (Pages 221 - 234)

To receive a report from the Cabinet Member for Economic Development and the Corporate Director for Growth, Environment and Transport that provides an overview of the green paper and identifies some areas that are likely to be of particular interest to local government and KCC

C8 Housing White Paper Briefing (Pages 235 - 248)

To receive a report from the Cabinet Member for Economic Development and the Corporate Director for Growth, Environment and Transport that outlines the main provisions of the recent Housing White Paper, and presents an analysis of its potential impacts, challenges and opportunities

C9 Transport Improvements to Support The Open (Pages 249 - 264)

To receive a report from the Cabinet Member for Community Services and the Corporate Director for Growth, Environment and Transport which asks the Cabinet Committee to welcome the announcement by The Royal and Ancient Golf Club to host The Open 2020 at Royal St George's, and to note the work underway to deliver the associated transport improvements at Sandwich

C10 Work Programme 2017 (Pages 265 - 272)

To receive a report by the Head of Democratic Services that gives details of the proposed Work Programme for this Cabinet Committee.

## **D - Monitoring of Performance**

D1 Performance Dashboard (Pages 273 - 284)

To receive a report from the Cabinet Member for Economic Development, the Cabinet Member for Communities and the Corporate Director for Growth, Environment and Transport which asks the Cabinet Committee to note the performance report

D2 RGF Programmes and Framework for Monitoring Report (Pages 285 - 298)

To receive a report from the Cabinet Member for Economic Development which provides an update on the allocation of funds to companies in the format previously agreed by Cabinet Committee

## **EXEMPT ITEMS**

*(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)*

John Lynch,  
Head of Democratic Services  
03000 410466

**Tuesday, 14 March 2017**

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

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**KENT COUNTY COUNCIL**

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**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, 19 January 2017.

PRESENT: Mr M A Wickham (Chairman), Mr S Holden (Vice-Chairman), Mr D L Brazier, Mr B E Clark, Mr J A Kite, MBE, Mr G Lymer, Mr F McKenna, Mrs E D Rowbotham, Mr C Simkins, Mr T L Shonk (Substitute for Mr M Baldock) and Mr R Truelove

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

IN ATTENDANCE: Mrs B Cooper (Corporate Director of Growth, Environment and Transport) and Ms Jemma West (Democratic Services Officer)

**UNRESTRICTED ITEMS****201. Apologies and Substitutes**

*(Item A2)*

An apology for absence had been received from Mr Baldock. Mr Shonk attended the meeting as a substitute for Mr Baldock.

**202. Declarations of Interest by Members in items on the Agenda**

*(Item A3)*

Mr Dance declared an interest in item B2 relating to Visitor Economy Services Contract Extension, in that he was a Board Member for Visit Kent.

**203. Minutes of the meeting held on 13 December 2016**

*(Item A4)*

RESOLVED that the minutes of the meeting held on 13 December 2016 are correctly recorded and that they be signed by the Chairman.

**204. Verbal updates by Cabinet Members and Corporate Director**

*(Item A5)*

1. Mr Hill (Cabinet Member for Community Services) gave the following verbal update:
  - On 10 January 2017, the Dartford Library had re-opened following refurbishment. Excellent feedback had been received from the community.
2. Mr Dance (Cabinet Member for Economic Development and Regeneration) gave the following verbal update:

- The Regional Growth Fund had been relaunched, as the Kent and Medway Business Fund. The scheme aimed to deliver £5 million of investment. It was funded by loan repayments from three previous Regional Growth Fund Schemes which were Expansion East Kent, Tiger and Escalate, and any money generated from the Fund would be recycled for use in these three Schemes.
  - Entries were presently being accepted for the Kent Excellence in Business Awards (KEIBA). The awards were run in partnership with the Kent Messenger, with no cost to KCC. The aim of the awards was to promote Kent businesses and recognise and reward excellence.
3. Mr Dance then responded to the questions of the Committee Members and made points including the following:
- Expansion East Kent had been running for 3 years, Tiger for 2 and Escalate for 1, so the amounts paid back would be different, but all three schemes were paying back the funds.
  - With regard to Brexit, exporting was presently on an uplift of 20%. KCC were a small fish in a big pond, and a strategy could not be formulated until the timings of Brexit were available, but KCC would seek to find the best outcome for Kent businesses.
  - The Scrutiny Committee had looked at the issue of 'Phoenix companies', where a company had gone bankrupt and then continued to trade. There was not a lot KCC could do to prevent this happening with companies who had received loans.
4. A Committee Member commented that Dartford Library was an important community asset, and the Cabinet Member and officers involved in its refurbishment and funding should be commended.
5. RESOLVED that the verbal updates be noted.

**205. Libraries Management System Software Contract Renewal**  
(Item B1)

*(Mr Pearson, Interim Head of Service for Libraries, Registration and Archives (LRA), attended the meeting for this item).*

1. Mr Hill introduced the item and said that in his view the paper presented a very clear way forward and he strongly supported the recommendation.
2. Mr Pearson then outlined the report which summarised the preferred option for the renewal of the library management system. He said that on Page 34 of the agenda, in table two (Library Borrowers by Age Band 2015), there had been an error. The figures for the age range 20-59, under Kent Population should be 56,840, with a percentage of 11.60%. He stated that this would be corrected in an updated Equality Impact Assessment.
3. Mr Pearson then responded to a question from a Member and stated that market engagement had taken place for the system, and other suppliers were considered through a supplier engagement process, but none of the other suppliers could meet the requirements to the same extent as SPYDUS.

4. RESOLVED that the proposed decision of the Cabinet Member for Community Services to sign the contract with the existing contractor procured through the LASA framework, be endorsed.

## **206. Visitor Economy Services - Contract Extension**

*(Item B2)*

*(Mr D Smith, Director of Economic Development, attended the meeting for this item).*

1. Mr Dance introduced the item and reminded Committee Members that Visit Kent had attended the meeting in December to give a presentation on the work they were doing with regard to tourism in Kent. He also stated that there had been 60 million visitors to Kent the previous year, with £3.6 billion spent on accommodation, and 12,000 jobs created.
2. Mr Smith then introduced the report which described Kent's visitor economy performance over the last three years, and considered options for the funding of Visit Kent beyond the end of the financial year.
3. Mr Smith then responded to questions of the Committee Members and made points including the following:
  - The contract provided for an extension of up to 36 months; Visit Kent's aspirations given at the Committee's presentation in December had been in the context of their five-year plan;
  - The report recommended a 12-month extension to the existing contract: there had been no approaches by other suppliers;
  - The extension of the contract would retain the current value of £280k a year; KCC would supplement this with a staffing and marketing contribution;
  - KCC would consider a further extension of the contract during 2017/18.
4. RESOLVED that the proposed decision of the Leader of the Council to extend the visitor economy services contract with Visit Kent for a further twelve months to March 2018 (with a possible further extension to be decided in 2018), plus a further contribution worth £130,000 to provide for externally funded projects and staffing in 17-18.

## **207. Draft 2017-18 Budget and Medium Term Financial Plan**

*(Item C1)*

*(Mr K Tilson, Finance Business Partner - Growth, Environment & Transport, Mr D Smith, Director of Economic Development, Mr J Pearson, Interim Head of Service and Ms K Stewart, Director of Environment Planning and Enforcement, were in attendance for the consideration of this item).*

1. Mr Tilson introduced the report which accompanied the final draft 2017-18 budget and 2017-20 MTFP published on 12 January 2017, and provided further detail on the key assumptions which underpin the budget proposals and savings relevant to the remit of the Growth, Economic Development and Communities Cabinet Committee. It also included information from KCC's budget consultation, the

Chancellor's Autumn Budget Statement and provisional local government finance settlement.

2. Mr Tilson then advised that Appendix one to the report applied to the Growth and Economic Development Directorate, and not the Cabinet Committees remit, although he had tried to ensure the papers made clear the savings and spending pressures relating to the Cabinet Committee.
3. The Corporate Director for Growth Environment and Transport then responded to the questions of the Committee Members and made points including the following:
  - Staffing is taken very seriously, and any changes needed to be as a result of the Vision and priorities for the service. Some services within the directorate were income generating, so these services would not be cut. Staff reductions were not the first choice when identifying savings. 65% of the total GET budget was contracts, and these needed to be considered first. However, inevitably there would have to be some staff savings.
4. Ms Stewart then responded to further questions of the Committee and stated that the capital investment into the Coroners service was to make the service more efficient, including the introduction of a Medical Examiner service.

She also added that the Thanet Parkway was not dependent on the Airport at Manston. It would not take away from Ramsgate Station, and the intention was to unlock access to the High Speed Service for the wider population. KCC were not solely funding the project, as Local Growth Fund monies had been allocated by the Southeast Local Enterprise Partnership (SELEP). Engagement was taking place with developers, and the Thanet Local Plan was presently out for consultation.

5. Mr Smith also responded to questions of the Committee Members and made the following points:
  - In terms of the occupants of Discovery Park, which was the legacy of Pfizer, some were businesses who had come from other parts of Kent, and some were second locations. Statistics showed that more staff were now employed at the site compared to when Pfizer owned the site. These statistics could be provided to Committee Members.
  - The owners of the Discovery Park site had received a loan via the Local Enterprise Partnership to do work on site to provide housing. Planning permission had been sought, but it had been subject to heavy requirements on flood prevention work, and the LEP were working with Discovery Park to address these issues. The funds for this were retained in the KCC forward budget in the event that the development were to proceed.
  - A schedule of EU funding contributing to Kent projects could be provided to the Committee at a future meeting. This funding would only be used to support projects which were in Kent's interest. In anticipation of BREXIT the government had promised that all projects already signed off would be honoured. This was not the case for any successor bids.
6. RESOLVED that draft budget and MTFP, including responses to consultation and Government announcements, be noted.

## **208. Update on the Priorities of the Kent and Medway Skills Commission for 2016/17**

*(Item C2)*

*(Mrs S Dunn, Head of Skills and Employability, attended the meeting for this item).*

1. Mrs Dunn introduced the report which explained the governance, operating structures, priorities and outcomes of the Kent and Medway Skill Commission.
2. Mrs Dunn then responded to the questions of Committee Members and made points including the following:
  - The Guilds that were more established could provide evidence of progress against their targets. Some of the more recent Guilds did not have comprehensive data as yet.
  - The construction related Guild did discuss green energy skill requirements for the future. It was difficult to frame issues within one Guild as there were often overlaps.
  - Labour Market intelligence was used to shape the Guilds for the future.
  - The public sector was involved in the Healthcare Guild.
  - The success of Guilds was monitored, but was not yet in a presentable format.
  - The Skills Commission was created as a requirement of the Local Economic Partnership (LEP). The Commission would have its own view of the skills agenda priorities, and how that led to supply chains. The Guilds were two fold, in that SME's were finding it hard to recruit young people at the right level with the right attitudes, and also young people had unrealistic expectations around certain sectors, particularly creative trades. Employers gained information from people within the trades, and were able to go into schools and give introductions to those trades, in a bid to ensure young people have realistic expectations.
  - SME's sometimes had difficulties getting the right people, and could not afford recruitment agencies. The Guilds had been working on a new website matching service to target these issues.
  - Some pathways were easier to teach and to resource, and education establishments' accountability measures could be restricting. Competition between education establishments could drive a reduction in curriculum offers.
  - There were a number of providers would not employ young people at level three if they had not achieved Maths and English. It was important that pathways met the needs of young people, and the Guilds were keen for personalised pathways, including a technical route.
3. RESOLVED – That the 2016/17 priorities and actions of the Kent and Medway Skills Commission be noted.

## **209. Work Programme 2017**

*(Item C3)*

1. The Cabinet Committee considered the report which gave details of the proposed work programme for the Growth, Economic Development and Communities Cabinet Committee.
2. The Corporate Director for Growth, Environment and Transport confirmed that the following items would be added for consideration at the next meeting in March:
  - Skills Commission;
  - Schedule of revenue from European Funds for Kent projects;
  - Area review of FE.
3. RESOLVED that the work programme for 2017 be agreed.

**From:** Mark Dance, Cabinet Member – Economic Development  
Barbara Cooper, Corporate Director - Growth Environment and Transport

**To:** Growth, Economic Development and Communities Cabinet Committee – 22 March 2017

**Decision No:** 16/00148

**Subject:** A2 Bean and Ebbsfleet junction improvement – Funding contribution by the Strategic Transport Infrastructure Programme (STIP)

**Classification:** Unrestricted

**Past Pathway of Paper:** Environment and Transport Cabinet Committee – 13 March 2017

**Future Pathway of Paper:** For Cabinet Member Decision

**Electoral Division:** Dartford East, Swanscombe and Greenhithe, Dartford Rural,

**Summary:** Kent County Council, as Accountable Body for the STIP Programme, is required to provide a reasonable contribution to the Bean and Ebbsfleet Junction Improvements and this report presents the matters considered in order for such a contribution to be offered to Highways England.

**Recommendations:**

The Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Economic Development on the proposed decision as shown at Appendix A to:

- a) approve the full and final contribution from the Strategic Transport Infrastructure Programme (STIP) towards the A2 Bean and Ebbsfleet junction improvements and:
- b) support the approach that KCC will not forward fund or guarantee the proposed contribution.

**1. Introduction**

1.1 The Kent Thameside Strategic Transport Infrastructure Programme (STIP) is a package of improvements that respond to assessments of the individual impacts and mitigation measures for significant development across the boroughs of Dartford and Gravesham. A Key Decision was taken on 15 October 2012 (Decision No 12/01953) agreeing to the County Council acting as the Accountable Body for the programme.

- 1.2 The STIP Steering Group is Chaired by Mark Dance, Cabinet Member for Economic Development. And includes the Leaders and officers of both Dartford and Gravesham Borough Council's and representatives from Homes and Communities Agency (HCA) Ebbsfleet Development Company (EDC), Department for Transport (DfT) and Highways England (HE).
- 1.3 The Bean and Ebbsfleet junctions form an integral part of this programme and although construction is to be delivered by Highways England, there is a requirement for the fund to make a contribution to the scheme.
- 1.4 Current estimates provided by Highways England indicate an estimated cost of £125m to deliver the scheme and the STIP contribution equates to 20% of the scheme total. Officers have been successful in negotiating this figure down from HE's initial assumption that £47m would be available.
- 1.5 Members are requested to note that despite requests from Highways England that KCC guarantee or forward fund the STIP contribution, KCC have maintained the stance that this is not possible and monies can only be made available as and when the Eastern Quarry development triggers are met as shown in Appendix F.

## **2. Financial Implications**

- 2.1 There are no financial implications to Kent County Council as the STIP Fund comprises s106 monies, Homes and Communities Agency grant and Local Growth Fund allocations as shown in Appendix E. The LGF allocations are not part of the proposed contribution and are applied to specific schemes within the STIP Programme

## **3. Policy Framework**

- 3.1 Implementation of the scheme will support the Council in meeting its Strategic Outcome for "Kent Communities to feel the benefits of economic growth by being in work, healthy and enjoying a good quality of life". This will be achieved through the projects supporting continued operation of key transport infrastructure which is vital to the Kent and national economies as well as helping support growth by enabling new residential and commercial development.
- 3.2 The key priorities set out in the County Council's Integrated Transport Strategy *Growth without Gridlock* in terms of providing additional highway capacity, improving accessibility and reducing congestion are also delivered.
- 3.3 The scheme will provide improved growth and economic prosperity through having an efficient highway and transport infrastructure.

## **4. The report**

- 4.1 In the coming years, the Bean and Ebbsfleet junctions will serve developments including Ebbsfleet Garden City. This development will create 15,000 new



homes and more than 30,000 jobs could also be created. Traffic modelling work has indicated that without improvements to both junctions, the road network will become highly congested, resulting in considerable delays and associated environmental issues.

4.2 There is a requirement for the STIP fund to make a reasonable contribution to the A2BE scheme. The Business Case for the scheme is dependant on an acceptable level of private funding and a figure of £25m has been offered as a full and final contribution. In deciding this course of action, two options were considered based on detailed analysis of the Programme Fund:

1. A minimal contribution whereby an apportionment exercise is undertaken taking a percentage of each s106 (bearing in mind the pooling restrictions) in relation to the overall scheme cost and directing these monies to the project.
2. Direct the Eastern Quarry s106 funds of £24.7m to the Project in their entirety as it is geographically adjacent to both the Bean and Ebbsfleet junctions plus an additional £300k from s106 monies.

A third option also considered, would be to not contribute any monies to the scheme and force the issue back to DfT but this course of action would:

- a) Make the scheme unaffordable,
- b) Would have an adverse affect on the development plans for the area
- c) Would not be inline with previous agreements and commitments to funding contributions

A meeting of the lead STIP Members discussed these options and it was agreed that the most reasonable solution was to support option 2. This offer represents a pragmatic solution to the funding request, is easier to administrate and fits within the level of funding that has been identified as potentially available with the highest level of confidence.

4.3 There are no Legal Implications

4.4 There are no Equalities Implications

4.5 There are no implications for the Council's property portfolio

## **5. Conclusions**

5.1 The STIP Programme, which includes the Bean and Ebbsfleet junction improvements, is required to make a reasonable contribution towards the scheme and as such, Officers at KCC, Dartford Borough Council and Gravesham Borough Council closely scrutinised the Programme funding arrangements. As per the options identified above, the sum of £25m has been supported by the Steering Group and conveyed to Highways England as a full and final offer of contribution.

## 6. Recommendations

### Recommendations:

The Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Economic Development on the proposed decision as shown at Appendix A to:

a) approve the full and final contribution from the Strategic Transport Infrastructure Programme (STIP) towards the A2 Bean and Ebbsfleet junction improvements and:

b) support the approach that KCC will not forward fund or guarantee the proposed contribution.

## 7. Background Documents

- 7.1 Appendix A Proposed Record of Decision
- Appendix B Letter from Mark Dance to DfT regarding STIP offer
- Appendix C Letter from DfT in response
- Appendix D Letter from Barbara Cooper to DfT confirming KCC position
- Appendix E Summary of financial details of STIP fund
- Appendix F Current timeframe for Eastern Quarry build out rates and financial triggers

## 8. Contact details

Report author

- Andy Moreton – Project Manager HT&W
- 03000 413423
- [Andy.Moreton@kent.gov.uk](mailto:Andy.Moreton@kent.gov.uk)

Relevant Director:

- Roger Wilkin – Director HT&W
- 03000 413479
- [Roger.wilkin@kent.gov.uk](mailto:Roger.wilkin@kent.gov.uk)

Appendix A

**KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION**

**DECISION TAKEN BY**  
**Mark Dance Cabinet Member for Economic Development**

**DECISION NO:**  
**16/00148**

**For publication**

**Key decision\***  
Yes – expenditure over £1m

**Subject: Bean and Ebbsfleet junction improvements – funding contribution**

**Decision:**  
As Cabinet Member for Economic Development I:  
  
a) approve the full and final contribution from the Strategic Transport Infrastructure Programme (STIP) towards the A2 Bean and Ebbsfleet junction improvements.and:  
  
b) support the approach that KCC will not forward fund or guarantee the proposed contribution.

**Reason(s) for decision:**  
The Kent Thameside Strategic Transport Infrastructure Programme (STIP) is a package of improvements that respond to assessments of the individual impacts and mitigation measures for significant development across the boroughs of Dartford and Gravesham. A Key Decision was taken on 15 October 2012 (Decision No. 12/01953) agreeing to the County Council acting as the Accountable Body for the programme.

Kent County Council, as Accountable Body for the STIP Programme, is required to provide a reasonable contribution to the Bean and Ebbsfleet junction Improvements and this report presents the matters considered in order for such a contribution to be offered to Highways England

**Cabinet Committee recommendations and other consultation:** the Growth and Economic Development and Communities Cabinet Committee will consider the matter at its meeting on 22 March 2017 and any comments will be taken into account when making the decision

**Any alternatives considered:**  
Three options were considered by the lead Members of the STIP as outlined in the decision report (see paragraph 4.2). it was agreed that the most reasonable solution was to support option 2

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

.....  
Signed

.....  
date

Name:

## Appendix B



### Economic Development

Mr P. Williams  
Department for Transport

By email

Sessions House  
County Hall  
Maidstone  
ME14 1XX

Phone: 03000 415884  
Ask for: Mark Dance  
Email: [Mark.Dance@kent.gov.uk](mailto:Mark.Dance@kent.gov.uk)

26 October 2016

Dear Mr Williams,

### **Re A2 Bean & Ebbsfleet – Strategic Transport Infrastructure Programme (STIP) funding contribution**

With regards to the above and meetings held recently with Highways England (HE), Kent County Council (KCC) and Ebbsfleet Development Corporation (EDC), the purpose of this letter is to confirm both the offer of contribution from the STIP fund and also, KCC's current understanding in relation to the whole scheme funding and progression.

On the 30<sup>th</sup> September, key Members of the STIP Steering Group met with Highways England officers to discuss the funding gap and potential contributions that may be achieved from the STIP fund.

Two options were presented to STIP Members for consideration which were:

- a) An apportionment of each of the s106 contributions (either secured or projected to be secured in to the fund) to be directed towards the scheme or,
- b) Direction of the s106 funding from the Eastern Quarry (EQ) development to the scheme plus an additional sum from the s106 monies to be received in to the fund.

The first option is restrictive in that the level of funding potentially available would not achieve an acceptable value, would be time consuming to put in place and would be subject to a protracted administration process.

The second option provides the opportunity for a more reasonable contribution to be offered, relates directly to a major development site that is geographically situated close to both junctions of the A2 and constitutes a commitment of the Group to make a contribution that fits within the level of **available funding**.

In preparation for the meeting, Officers undertook a re-assessment of the funding availability (received, secured and not secured) and it was recommended to the Group that Option b demonstrated the best available solution.

It was subsequently agreed that the Eastern Quarry s106 sum of £24.7m be directed to the scheme, along with an additional £300k from the STIP fund, making a total contribution of £25m.

The profiling for the Eastern Quarry monies are shown in the table below and it should be noted that at current build out rates, the full contribution from Eastern Quarry would not be realised until 2030.

<b>Year</b>	<b>Yearly completion</b>	<b>Total Completion</b>	<b>Contribution</b>	<b>Cumulative</b>
<b>End 2017 (CH)</b>	313	460	1,262,240	
<b>End 2021 (CH)</b>	930	1390	2,551,920	3,814,160
<b>2021</b>	328	1718	900,032	4,714,192
<b>2022</b>	328	2046	900,032	5,614,224
<b>2023</b>	328	2374	900,032	6,514,256
<b>2024</b>	328	2702	900,032	7,414,288
<b>2025</b>	328	3030	900,032	8,314,320
<b>2026</b>	328	3358	900,032	9,214,352
<b>2027</b>	328	3,686	900,032	10,114,384
<b>2028</b>	328	4,014	900,032	11,014,416
<b>2029</b>	328	4,342	900,032	11,914,448
<b>2030</b>	328	4,670	900,032	12,814,480
<b>Triggers total contribution of £24.7m</b>			11,685,520	£24.7m (not index linked)

It has also been confirmed that neither Kent County Council, nor the Borough Councils are in a position to underwrite, forward fund or enter in to borrowing agreements and neither can the build out rates or the level of funding be guaranteed. The funding risk therefore rests with Highways England.

I understand that there have been subsequent meetings with DfT, HE, DCLG and EDC with the outcome being that as a result of the funding discussions, DfT have approved the scheme to go to the next stage, which is public consultation, in November.

I am informed that the scheme going forward to consultation has an estimated value of £125m and is to be funded as follows:

DfT £80m  
STIP £25m

EDC £20m

As Kent County Council is the Accountable Body for STIP, there is the need for formal approval to be obtained. This will take the form of the following:

- Report to the Leader - Cabinet Members meeting, 12<sup>th</sup> December
- Report to Environment & Transport Cabinet Committee, 12<sup>th</sup> January 2017
- Report to Economic Development Cabinet Committee 19th January 2017.

At the time of writing, I do not envisage there being any issues with the approvals process at KCC and you will be kept informed and updated when the meetings have taken place.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Dance', with a large, stylized initial 'M' at the top.

**Mark Dance**

Cabinet Member  
Economic Development

Cc: A. Salmon (HE) J. Gregory (EDC) C. Lovegrove (DCLG) Cllr J. Kite (DBC)  
Cllr J. Cubitt (GBC) Cllr M Balfour (KCC) A Moreton (KCC)



## Appendix C

Andy Moreton  
Project Manager, Major Capital Schemes  
Kent County Council  
Highways, Transportation and Water  
County Hall, Maidstone, Kent  
ME14 1XX

Department for Transport  
Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR  
Tel: 0300 330 3000  
Web Site: [www.gov.uk/dft](http://www.gov.uk/dft)  
Our Ref: 182123  
Your Ref:  
DATE

Dear Andy Moreton

### **A2 Bean and Ebbsfleet - STIP funding contribution**

Thank you for your letter of 26 October 2016 confirming both the offer of a contribution from the STIP fund and your understanding of the scheme funding and progression.

After the meeting of the STIP Steering Group on 30th September (Highways England were not present) Highways England were presented with the verbal offer of £25m. Thank you for documenting this offer and providing further details of the contributions and terms.

This scheme is committed (as stated in the Road Investment Strategy document) subject to an acceptable level of contributions from third parties. In terms of the level of contributions discussed, £20m from EDC and £25m from STIP would provide an acceptable way forward.

However you have stated in your letter that the £25m from STIP is not guaranteed and any contributions coming forward would be paid as and when they were received. Therefore the funding risk would rest with Highways England.

This is not acceptable to us as there is a clear risk that further public funds would be required if the contributions were not forthcoming and in this scenario and current delivery programme, public funds would definitely be required to fund the shortfall at the end of the scheme (around 2022) until any future contributions were received.

Highways England have limited funds provided to them through the Road Investment Strategy and are not in a position to exceed this. The current proposal would require them to do so.

As we discussed at our meeting on 10th November, approval of the proposal as it currently stands by your Cabinet Committee would not result in an acceptable way forward. Suggestions were made as to how to resolve this and we look forward to your response.

**Yours sincerely**



## Appendix D



### Growth, Environment and Transport

Mr P. Williams  
Department for Transport

By email

Sessions House  
County Hall  
Maidstone  
ME14 1XX  
Phone: 03000 415981  
Ask for: Barbara Cooper  
Email: Barbara.Cooper@kent.gov.uk

30<sup>th</sup> November 2016

Dear Mr Williams,

### **Re A2 Bean & Ebbsfleet – Strategic Transport Infrastructure Programme (STIP) funding contribution**

I write in regard to the above and an unsigned letter received from DfT in response to the offer made towards the Bean and Ebbsfleet scheme.

The meeting held on the 30<sup>th</sup> September involved key members of the Steering Group and I am afraid you have been misinformed as Highways England were certainly well represented.

Unfortunately, the suggestions made at the subsequent meeting on the 10<sup>th</sup> November have not been detailed in the response to KCC but I am advised that they involved either KCC entering in to a borrowing arrangement or for KCC to seek a similar arrangement to the the agreement between DCLG and Ashford Borough Council for M20 junction 10a. Neither of which are acceptable to us.

The Steering Group and Officers have been explicitly clear on what funding contribution is available and the offer made is both fair and reasonable. There are no further funds available nor is there any possibility of KCC or the Districts entering in to any other arrangements to cover the shortfall for your scheme between 2022 and 2030.

I would also point out that , KCC is faced with similar situations locally with improvements required on the local highway network ahead of development and we have, quite rightly, provided funding in these circumstances so as to ensure deliverability. We are not in a position to undertake this for a scheme on the Strategic network and neither should we be expected to do so.

I confirm that the offer made on the 30<sup>th</sup> September is still available to you although, if this remains unacceptable then I assume that you will seek alternative methods or solutions to fund your scheme.

Yours sincerely



**Barbara Cooper**

Corporate Director

Growth, Environment and Transport

Cc: A. Salmon (HE) Cllr J. Kite (DBC) Cllr J. Cubitt (GBC) Cllr M Balfour (KCC) A Moreton (KCC) Cllr M Dance (KCC)

## Appendix E – Financial Summary

<b>Funding stream</b>	<b>Total</b>
HCA grant	£13,000,000.00
LGF (secured and approved)	£12,700,000.00
New Homes Bonus	£5,100,000.00
S106 received and in the fund	£1,862,286.00
S106 held by the Districts	£1,521,452.00
S106 secured but not received (incl EQ)	£31,025,550.00
S106 subject to negotiation	£2,000,000.00
S106 Unsecured/subject to CIL/lapsed permissions	£10,275,820.00
	<b>£77,485,108.00</b>
<b>total</b> less low confidence/high risk values	£15,375,820.00
<b>Grand total</b>	<b>£62,109,288.00</b>

## Appendix F

### Current build out projections and payment scheduling for Eastern Quarry

	Castle Hill	Henley Camland	Total Completion per year	Cumulative completions	CPI %	One off payment	payment	Cumulative
2016	100	0	100	100	2744		274400	274400
2017	117	0	117	117	2,785		325,864	600,264
2018	345	300	645	762	2,827		1,823,375	2,423,638
2019	287	500	787	1549	2,869		2,258,172	4,681,810
2020	232	500	732	2281	2,912		2,131,863	6,813,673
2021	222	500	722	3003	2,956		2,134,281	8,947,954
2022	108	500	608	3611	3,000		1,824,248	10,772,202
2023	78	500	578	4189	3,045		1,760,250	12,532,452
2024	63	500	563	4752	3,091	11,685,520	13,425,807	25,958,259
2025	13	500	513	5265				
2026		700	700	5965				
<b>Total</b>	<b>1565</b>	<b>4500</b>	<b>5965</b>	<b>5965</b>				25,958,259

**From:** Mark Dance – Cabinet Member for Economic Development  
Barbara Cooper – Corporate Director for Growth,  
Environment & Transport

**To:** Growth, Economic development and Communities Cabinet  
Committee – 22 March 2017

**Decision No:** 17/00017

**Subject:** Dartford Town Centre transport improvements and public  
realm works – Approval to enter in to a Legal Agreement

**Classification:** Unrestricted

**Past Pathway of Paper:** Environment and Transport Cabinet Committee – 13  
March 2017

**Future Pathway of Paper:** For Cabinet Member Decision

**Electoral Divisions:** Dartford West, Dartford North East, Wilmington, Dartford East

**Summary:**

This report is intended to seek approval for Kent County Council to enter in to a Legal Agreement to enable Dartford Borough Council to undertake a programme of transport improvements and public realm work within the town, funded by the Kent Thameside Strategic Transport Infrastructure Programme (STIP) for which KCC is the Accountable Body.

**Recommendation:**

The Growth, Economic Development and Communities Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Economic Development on the proposed decision to delegate authority to the Corporate Director Growth, Environment and Transport and the Corporate Director Finance and Procurement to negotiate and execute legal and/or partnership agreements for the delivery of the Dartford Town Centre scheme as attached at Appendix A

**1. Introduction**

1.1 The Kent Thameside Strategic Transport Infrastructure Programme (STIP) is a package of improvements that respond to assessments of the individual impacts and mitigation measures for significant development across the boroughs of Dartford and Gravesham. A Key Decision was taken on 15 October 2012 (Decision No. 12/01953) agreeing to the County Council acting as the Accountable Body for the programme.

- 1.2 A scheme within Dartford Town Centre is included within the STIP programme and involves a package of works in and around the town centre that require both transport and public realm improvements.

## **2. Financial Implications**

- 2.1 If approved, there would be no direct implications on the County Council as all current accountabilities, responsibilities, reporting requirements and risk would be delegated to the Borough Council under a 3<sup>rd</sup> Party Legal Agreement. It is further proposed that the monies held by KCC within the STIP fund are released to the Borough Council by way of a Grant arrangement, again, subject to an appropriate Legal Agreement between the two Authorities.

## **3. Policy Framework**

- 3.1 Implementation of the scheme will support the Council in meeting its Strategic Outcome for “Kent Communities to feel the benefits of economic growth by being in work, healthy and enjoying a good quality of life”. This will be achieved through the projects supporting key transport infrastructure which is vital to the Kent and national economies as well as helping support growth by enabling new residential and commercial development.
- 3.2 The key priorities set out in the County Council’s Integrated Transport Strategy *Growth without Gridlock* in terms of improving accessibility and reducing congestion are also delivered.
- 3.3 The scheme will provide improved growth and economic prosperity through having an efficient highway and transport infrastructure, coupled with improved public realm.

## **4. The report**

### **4.1 Relevant history**

Dartford Town Centre is an identified scheme within the Strategic Transport Infrastructure Programme (STIP) and as such would normally fall to the Major Projects Team to implement. Amey Consulting were commissioned by KCC to undertake Feasibility Studies of a number of locations that both Dartford and KCC Officers agreed were in need of attention, the aim being to improve not only traffic flows, but importantly, the connectivity in to the town centre, encouraging modal shift and supporting current and future development around the town.

During the feasibility work, Dartford Borough Council commissioned a Strategic Framework Strategy to understand, at a high level, how the town centre and its surrounds could benefit from increased development opportunities and conceptual ideas for public realm improvements.

Due to the importance of this project to Dartford, Dartford Borough Council has offered to lead this important project for the regeneration of their town and

surrounding area and as such, subsequent discussions between DBC Chief Executive and KCC Corporate Director for GET has resulted in an initial agreement that this is to go ahead, subject to appropriate agreements being in place and KCC being involved in relevant groups and meeting including the Project and Steering Group.

- 4.2 Options were considered with both Authorities being involved in the process from procurement through to construction but the Governance arrangements and potential hurdles to overcome were such that there was risk that actual design work would not commence until late 17/18. This would affect delivery of the construction phases and was deemed to be unsatisfactory for both parties.
- 4.3 The STIP fund contains monies from s106 agreements, a grant from the Homes and Communities Agency and allocations from successful LGF bids. This is summarised in Appendix B. Legal Agreements are currently in place between KCC, HCA and SELEP covering the accountability, responsibility, risk/programme management and reporting requirements that fall to KCC as the Accountable body. It is proposed that these matters are fully covered by way of a 3<sup>rd</sup> party, back to back Legal Agreement between the two Authorities.

Funds applicable to Dartford Town Centre comprise £7.7m grant from HCA which is held by KCC and a further £4.3m from LGF which will require a further business case to secure the allocation.

- 4.4 There are no Equalities implications of the suggested action
- 4.5 Barbara Cooper, Corporate Director for Growth, Environment and Transport, will inherit the main delegations via the Officer Scheme of Delegation
- 4.6 Kent County Council will remain a key partner in the development of the scheme, working closely with Dartford Officers and shall be actively involved in the Project Board and Steering Group. There has been an initial positive response from SELEP regarding the potential for an Agreement to be drawn up although at the time of writing this report, a reply from HCA is still awaited.

## 5. Conclusions

In order to acknowledge and accept Dartford Borough Council's request to be the lead Authority on procurement, design and implementation of the package of works, a 3<sup>rd</sup> party Legal Agreement is required to ensure that all aspects are addressed with a clear understanding on the roles, responsibilities and accountabilities.

## 6. Recommendation

### **Recommendation:**

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

Corporate Director Growth, Environment and Transport and the Corporate Director Finance and Procurement, to negotiate and execute legal and/or partnership agreements for the delivery of the Dartford Town Centre scheme as attached at Appendix A.

## 7. Background Documents

- Appendix A – Proposed Record of Decision
- Appendix B - STIP Financial Summary
- Letter from Jeremy Kite to Mark Dance  
<https://democracy.kent.gov.uk/ecSDDisplay.aspx?NAME=SD5033&ID=5033&RPID=12559285>
- HCA Legal Agreement -  
<https://democracy.kent.gov.uk/ecSDDisplay.aspx?NAME=SD5032&ID=5032&RPID=12559235>
- SELEP Legal Agreement  
<https://democracy.kent.gov.uk/ecSDDisplay.aspx?NAME=SD5042&ID=5042&RPID=12559265>
- Key Decision No 12/01953 (page 8 of the printed minutes)  
<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=115&MId=3900&Ver=4>

## 8. Contact details

Report author

- Andy Moreton – Project Manager, HT&W
- 03000 413423
- [Andy.moreton@kent.gov.uk](mailto:Andy.moreton@kent.gov.uk)

Relevant Director:

- Roger Wilkin – Director, HT&W
- 03000 413479
- [Roger.wilkin@kent.gov.uk](mailto:Roger.wilkin@kent.gov.uk)



## Appendix A

### KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

<b>DECISION TAKEN BY</b>  <b>Mark Dance Cabinet Member for Economic Development</b>	<b>DECISION NO:</b>  <b>17/00017</b>
---	--

**For publication**

**Key decision\*** Yes, expenditure over £1m

**Subject: Dartford Town Centre – Approval to enter in to a Legal Agreement**

**Decision:**

As Cabinet Member for Economic Development, I agree to delegate authority to the Corporate Director Growth, Environment and Transport and the Corporate Director Finance and Procurement, to negotiate and execute legal and/or partnership agreements for the delivery of the Dartford Town Centre scheme

**Reason(s) for decision:**

The Kent Thameside Strategic Transport Infrastructure Programme (STIP) is a package of improvements that respond to assessments of the individual impacts and mitigation measures for significant development across the boroughs of Dartford and Gravesham. A Key Decision was taken on 15 October 2012 (Decision No. 12/01953) agreeing to the County Council acting as the Accountable Body for the programme.

A scheme within Dartford Town Centre is included within the STIP programme and involves a package of works in and around the town centre that require both transport and public realm improvements

Due to the importance of this project to Dartford, Dartford Borough Council has offered to lead this important project for the regeneration of their town and surrounding area and as such, subsequent discussions between DBC Chief Executive and KCC Corporate Director for GET has resulted in an initial agreement that this is to go ahead, subject to appropriate agreements being in place and KCC being involved in relevant groups and meeting including the Project and Steering Group.

**Cabinet Committee recommendations and other consultation:**

The Growth, Economic Development and Communities Cabinet Committee will consider the matter at its meeting on 22 March and any comments will be taken into account when the decision is being made

**Any alternatives considered:**

Options were considered with both Authorities being involved in the process from procurement through to construction but the Governance arrangements and potential

hurdles to overcome were such that there was risk that actual design work would not commence until late 17/18. This would affect delivery of the construction phases and was deemed to be unsatisfactory for both parties.

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

.....  
signed

.....  
date

Name:

## STIP Financial Summary

Funding stream	Total
HCA grant	£13,000,000.00
LGF (secured and approved)	£12,700,000.00
New Homes Bonus	£5,100,000.00
S106 received and in the fund	£1,862,286.00
S106 held by the Districts	£1,521,452.00
S106 secured but not received (incl EQ)	£31,025,550.00
S106 subject to negotiation	£2,000,000.00
S106 Unsecured/subject to CIL/lapsed permissions	£10,275,820.00
<b>total</b>	<b>£77,485,108.00</b>
less low confidence/high risk values	£15,375,820.00
<b>Grand total</b>	<b>£62,109,288.00</b>

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

**To: Growth, Economic Development and Communities Cabinet Committee – 22 March 2017**

**Subject: KCC Records Management storage reprocurement**

**Key Decision Yes**

**Classification: Unrestricted**

**Past Pathway of Paper: Strategic Commissioning Board**

**Future Pathway of Paper: Award report to Strategic Commissioning Board**

**Electoral Division: All**

**Summary:**

This report updates on progress to retender the KCC Records Management Storage contract.

**Recommendation:**

The Cabinet Committee is asked to consider and endorse the proposed approach or make recommendations to the Cabinet Member for Community Services on a proposed decision to delegate the award and signing of the contract to KCC officers following completion of the tender evaluation process as shown at Appendix A.

**1. Introduction and background**

- 1.1 The Records Management Service (RMS) is an internal service managed by Libraries, Registration & Archives (LRA) in partnership with the KCC Records Manager who is based in the Information, Resilience and Transparency Team. The service operates in order that KCC is compliant with the Lord Chancellor's Code of Practice on the management of records issued under section 46 of the Freedom of Information Act 2000.
- 1.2 The service operates on a zero based budget managed by LRA; the expenditure on staffing, leased vehicle and storage costs being recharged to the Directorates and teams who place files for storage with the service
- 1.3 In 2010/11 a review was carried out on the Records Management Service which was at the time a service completely delivered in-house from the KCC facility at Kings Hill. There were issues with the conditions at Kings Hill with water ingress and lack of environmental control. As a result of the review it was agreed that KCC would no longer store the records maintained by the RMS in-house but would outsource the storage. This meant that the service was no longer bound to a fixed cost for the space available at Kingshill, and meant efficiencies were achieved due to the fact that outsourced storage was charged on the basis of linear metres of storage used, retrieval of records and

destruction of records according to the KCC retention schedule, and only after the appropriate permissions had been given to the contractor.

- 1.4 The contract was awarded to TNT Business Solutions, based in Thurrock, on the 1 September 2011. This decision ensured that the records were stored in accommodation which better met the environmental conditions needed and were a significant improvement on those of the Kings hill site. The contractor stores our materials in an environmentally controlled space with a VESDA (Very Early Smoke Detection Apparatus) system, and all of the contractor's staff are security vetted at the appropriate levels. Security at the site reflects the fact that the current supplier undertakes a significant amount of work for government departments. The requirement to provide the storage to these standards will remain a critical element of the contract going forward so KCC can be assured that its records will always be kept appropriately.
- 1.5 A staffing review carried out at the same time allowed the reduction of the RMS team due to the fact LRA were no longer operating the storage facilities. The move to outsourced storage and the reduction in staff numbers ensured that value for money was delivered for the Directorates and individual teams accessing RMS and recharges were also reduced.
- 1.6 The current contract with TNT Business Solutions is due to expire on the 30 July 2017. The value of the current contract is approximately £200,000 a year. It is proposed that the new contract will be for up to ten years.

## **2. Developments and options considered**

- 2.1 The impact of New Ways of Working has led to an increased use of the RMS as physical storage in offices is being drastically reduced. Although the physical storage requirements are likely to decrease over the next 5-10 years there is still no infrastructure for managing electronic records in a systematic way across the authority and there are no immediate plans to introduce the necessary infrastructure. Due to the long retention periods attached to Social Care records relating to looked after children (75 years) and adopted children (100 years), the only secure method of retaining the records currently is in a physical format. In addition, some of these records have personal property attached to them which could not be held in electronic format.
- 2.2 During the life of the new contract options for how RMS needs to adapt and consider different approaches for the future will be explored.
- 2.3 With the current contract with TNT expiring on the 30 July 2017 each of the following options were considered for re-procurement;
  - 2.3.1 Do nothing and negotiate a contract extension with the current supplier: As the contract term comes to an end July 2017, the authority would be operating without a contract, which would lead to unfavourable terms from the supplier. This option crucially does not comply with the EC Procurement Directives and thus there would be a significant risk of challenge regarding non-compliant procurement. The impact (if the challenge was successful) may include the contract being found to be ineffective and therefore cancelled, subsequently requiring a re-

procurement (of a compliant nature), along with a fine (of an unknown amount), and/ or damages to the complainant.

- 2.3.2 Bring storage back in house: This option would involve significant costs in the movement of the over 70,000 boxes currently in storage to a KCC premise. At present no KCC premise or leased location has been identified that has the levels of environmental control and security provided by specialist suppliers. The timescale to bring the service back in-house would be a significant concern given that no proposals currently exist for this option. It is not therefore viable to explore this option at the present time and is in fact likely to be a backward step as it would involve KCC once more in fixed costs of premises, reduced flexibility as well as requiring extra staff resource/cost in order to manage the storage and retrieval.
- 2.3.3 Extend the contract with the current supplier using a single-source process: Similar to option 1 this is not recommended as would not be legally compliant and significant risk of challenge.
- 2.3.4 Use an existing Framework contract: There is a compliant framework but it does not have the range of suppliers that were identified at the Market engagement phase and there is a potential of higher costs
- 2.3.5 Run a tender process for a new Records Management Storage Contract: The preferred option: by engaging in a tender process the Authority will have tested the market and found the best value solution that is fit for purpose and is legally compliant process. There is a risk with this option that changing supplier could lead to additional costs to the authority (estimated at approximately £160K). It is proposed that this risk is mitigated by taking these costs into account as part of the tender evaluation process. If the current supplier were to be successful, no exit costs would be incurred.
- 2.4 The evaluation of pricing during the tender process will be structured to allow the Council to take account of the 'Whole Life Costs' of the contract, including the potential costs of a new supplier winning the contract.
- 2.5 To ensure the market has the opportunity to submit competitive bids a longer contract is proposed as this will allow new suppliers to spread costs over a longer period. The longer contract period does include break points and the option for changes at any time at the request of both parties during its length to ensure the option to take stock and cancel if required and ensure the contract delivers as required and continues to deliver value for money.
- 2.6 Alongside the tender process the team have also reviewed the contract Key Performance Indicators to ensure they are fit for purpose and looked at all the termination clauses to ensure they are sufficiently robust. LRA staff, the records manager and the procurement team are also working together to refresh the contract management to ensure the robust arrangements are maintained.

### 3 Financial Implications

3.1 The annual expenditure on this service is estimated at £200,000 per annum, over the potential contract term of 10 years, inclusive of potential contract exit and implementation costs should there be a new supplier. This will be funded from the LRA revenue budget and recharged to the Directorates and teams using the service over the contract period.

### 4 Timescales

4.1 The procurement process will take six months, and therefore a contract extension with TNT for an additional six months may have to be negotiated to allow for the potential implementation period should a new supplier be successful.

4.2 The details of the next steps are shown below:

- Tender evaluation completed by end of March 2017
- Award report to go to Strategic Commissioning Board - 19 April 2017
- Contract award - June 2017

### 5 Equalities implications

5.1 An equalities impact assessment is included as Appendix B and there are no adverse impacts from this retender.

#### **Summary:**

This report updates on progress to retender the KCC Records management storage contract.

**Recommendation:** The Cabinet Committee is asked to consider and endorse the proposed approach or make recommendations to the Cabinet Member for Community Services on a proposed decision to delegate the award and signing of the contract to KCC officers following completion of the.

### 6 Background Documents

Appendix A: Proposed Record of Decision

Appendix B: Equalities Impact Assessment

### 7 Contact details

Lead officer: James Pearson Job title: Head of Service Libraries, Registration & Archives Phone number 414923 E-mail: james.pearson@kent.gov.uk	Lead Director: Barbara Cooper Job title: Corporate Director Phone number 415981 E-mail: barbara.cooper@kent.gov.uk
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**KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION**

**DECISION TO BE TAKEN BY:**  
**Mike Hill, Cabinet Member for Community Services**

**DECISION NO:**  
**17/00018**

**For publication**

**Key decision: YES**  
*Affects more than 2 Electoral Divisions*

**Subject Matter / Title of Decision**  
Records Management service storage contract retender

**Decision:**  
As Cabinet Member for Community Services, I agree to:  
  
delegate to KCC officers award and signing of a new contract for the Modern Records Service following completion of the tender process.

**Reason(s) for decision:**

- The Records Management Service storage is a business critical contract for KCC is compliant with the Lord Chancellor’s Code of Practice on the management of records issued under section 46 of the Freedom of Information Act 2000.

**Cabinet Committee recommendations and other consultation:**  
  
The matter will be considered by the Growth, Economic Development and Communities Cabinet Committee at its meeting on 22 March 2017 and any comments taken into account when the decision is made

**Any alternatives considered and rejected:**

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

.....  
signed

.....  
date

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**Please read the guidance before completing this form**

**KENT COUNTY  
COUNCIL  
EQUALITY ANALYSIS / IMPACT ASSESSMENT  
(EqIA)**

**This document is available in other formats, Please contact**

**Barbara.Bragg@Kent.gov.uk or telephone  
on 03000 414716**

**You need to start your Equality Analysis and data collection when you start to create or change any policy, procedure project or service**

**When developing high-level strategies under which other policies will sit, if those policies are jointly owned by KCC and partner organisations, they will need to take the partnership approach to EqIAs,**

Please read the EqIA GUIDANCE and the EqIA flow chart available on KNet.  
**Directorate:**

**Growth , Environment &Transport**

**Name of policy, procedure, project or service**

**Procurement of Kent County Councils Record Management Contract**

**What is being assessed?**

The Procurement of a Records Management Storage (RMS) contract , to enable Kent County Council to be compliant with the Lord Chancellors Code of Practice on the safe management of records issued under section 46 of the Freedom of Information. This procurement and award of a contract will be managed by Libraries, Registration & Archives in partnership with KCCs Records Manager based within the Information , Resilience and Transparency Team. The RMS contract provides a service to Directorates across KCC .

July 2015

**Responsible Owner/ Senior Officer: Barbara Bragg**

**Date of Initial Screening: March 2017**

**Date of Full EqIA : 8<sup>th</sup> March 2017**

*Update each revised version below and in the saved document name.*

<b>Version</b>	<b>Author</b>	<b>Date</b>	<b>Comment</b>
V1	B Bragg	08/03/2017	
V2	J Pearson	10/03/2017	Additions and sign-off

**Screening Grid**

Characteristic	Could this policy, procedure, project or service, or any proposed changes to it, affect this group less favourably than others in Kent? YES/NO If yes how?	Assessment of potential impact HIGH/MEDIUM LOW/NONE UNKNOWN		Provide details: a) Is internal action required? If yes what? b) Is further assessment required? If yes, why?	Could this policy, procedure, project or service promote equal opportunities for this group? YES/NO - Explain how good practice can promote equal opportunities
		Positive	Negative	Internal action must be included in Action Plan	If yes you must provide detail
<b>Age</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive.
<b>Disability</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive
<b>Gender</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive
<b>Gender identity</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive
<b>Race</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive
<b>Religion or belief</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive

<b>Sexual orientation</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive
<b>Pregnancy and maternity</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive
<b>Marriage and Civil Partnerships</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive
<b>Carer's responsibilities</b>	No	High	None	a) No b) No	Yes - The provision of this Contract and Service does not differentiate between any individual or group and is fully inclusive

## Part 1: INITIAL SCREENING

**Proportionality** - Based on the answers in the above screening grid what RISK weighting would you ascribe to this function – see Risk Matrix

<b>Low</b>	<b>Medium</b>	<b>High</b>
Low relevance or Insufficient information/evidence to make a judgement.	Medium relevance or Insufficient information/evidence to make a Judgement.	High relevance to equality, /likely to have adverse impact on protected groups

State rating & reasons

Low : The service is accessible to all users.

### Context – What we do now and what we are planning to do

The current contract for the storage of the Authorities Records Management Service expires 30/07/2017. This service facilitates the collection , physical storage , retrieval and destruction of records to agreed standards , enabling Kent County Council to be compliant with existing legislation. A tendering and procurement process will be run to establish a new contract at the best value.

### Aims and Objectives:

To procure a contract ensuring the continuation of the Authorities Records Management Service.

The successful supplier will be compliant with Industry environmental and safety standards and work to agreed time and performance indicators.

### Beneficiaries

Directorates within Kent.

### Information and Data used to carry out your assessment

The Service is used by the following Directorates who pay proportionately for their usage.

Education & Young Peoples Services	21%
Growth, Environment & Transport	13%
Social Care, Health & Wellbeing	59%
Srategic & Corporate Services	7%

July 2015

**Who have you involved and engaged with**

**Representatives from the Directorates were engaged as part of the market testing and visited storage facilities. The new proposed contract and KPI's are thus shaped by this feedback.**

**Potential Impact**

**By an award of a new Contract , continuation of an existing service to fulfill Kent Count Councils statutory requirements for the storage or records.**

**Adverse Impact and how can these adverse impacts be mitigated.**

**None , only if no new contract is in place as this would jepordise KCC's modern records but as not proposed this is not an issue.**



**Positive Impact:**

**JUDGEMENT**

Set out below the implications you have found from your assessment for the relevant diversity groups. If any negative impacts can be justified please clearly explain why.

**Option 1 – Screening Sufficient YES**

Following this initial screening our judgement is that no further action is required.

**Justification: No single group is disadvantaged, this is not a customer service and is a function for KCC to ensure that it is compliant with legislation and can provide the necessary records of its activity- this is a positive and achieved through the proposed approach.**

**Option 2 – Internal Action Required NO**

There is potential for adverse impact on particular groups and we have found scope to improve the proposal

**Option 3 – Full Impact Assessment NO**

**Monitoring and Review**

**Sign Off**

I have noted the content of the equality impact assessment and agree the actions to mitigate the adverse impact(s) that have been identified.

**Senior Officer**

Signed: Barbara Bragg Name: Barbara Bragg

Job Title: Strategic Manager- Specialist and Support Service

Services Date: 08/03/17

**DMT Member**

Signed: James Pearson Name: James Pearson

July 2015

Job Title: Head of Service, Libraries, Registration and Archives

Date:10/03/17

Please forward a final signed electronic copy to the Equality Team by emailing

[diversityinfo@kent.gov.uk](mailto:diversityinfo@kent.gov.uk)

The original signed hard copy and electronic copy should be kept with your team for audit purposes.

**Equality Impact Assessment Action Plan**

<b>Protected Characteristic</b>	<b>Issues identified</b>	<b>Action to be taken</b>	<b>Expected outcomes</b>	<b>Owner</b>	<b>Timescale</b>	<b>Cost implications</b>

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

To: Growth Economic Development and Communities Cabinet Committee - 22 March 2017

Subject: **Draft Cultural Strategy**

Decision Number: **16/00119**

Classification: **Unrestricted**

**Past Pathway of Paper: None**

**Future Pathway of Paper: Cabinet and County Council**

**Electoral Division: County-wide**

**Summary:** The current cultural strategy “Unlocking Kent’s Cultural Potential, A Cultural strategy for Kent 2010-2015,” has provided a framework for Kent County Council to work more closely with the cultural sector in successfully delivering outcomes across a range of agendas. The strategy has been refreshed and following extensive stakeholder consultation during 2016, a draft document has been produced which will provide a framework for collaborative working and the foundation for a more detailed implementation plan for 2017 to 2027.

The aim is for the refreshed strategy to focus on improving innovation, growth, skills and sustainability in Kent’s creative industries over the next ten years.

The draft sets out the shared ambition of all creative partners in Kent. It is currently out for public consultation to test if people, organisations and partners agree with the overall structure and if there are any obvious gaps.

**Recommendation:**

The Cabinet Committee is asked to consider the draft strategy document (attached) and offer comments to the Cabinet Member for Community Services.

## 1. Introduction

- 1.1. ***Unlocking Kent’s Cultural Potential, A Cultural Strategy for Kent 2010-2015*** has been successful in providing a framework for Kent County Council to work more closely with the cultural sector. It has created a common language which has led to a shared understanding of the cultural infrastructure in Kent and the wider political, environmental and social context in which it operates. It has informed a more strategic approach to KCC

investment in the arts and has encouraged leverage by enabling the formation of wider partnerships and a collaborative way of working.

1.2. Notable successes have included:

- The development of the Kent Cultural Transformation Board.
- Relocation to Kent of renowned arts organisations such as Jasmin Vardimon Company.
- The development of a number of new creative workspaces across the county providing opportunities for employment.
- Grass roots development of cultural champions and leaders.
- The launch of ART31, a youth arts movement and a strong co-ordinated offer of cultural entitlement for children and young people.
- Through the South East Creative Economy Network, the development of a Shared Prospectus for the South East to raise awareness of the creative and cultural industries and create a viable economic geography to attract investment.
- A nationally recognised cultural commissioning programme embedding arts and culture into the delivery of public services such as Public Health and Waste Management, providing the sector with new opportunities for development, business models and alternative sources of non-arts investment.

1.3. The refreshed strategy for the period 2017 to 2027 aims to support the continued growth of the creative and cultural sector by making effective use of public and partner investment.

## **2. Consultation**

2.1. The new strategy will be encapsulated in a partnership document. Extensive consultation was conducted during 2016.

2.2. The consultation included two facilitated conference events, 9 local conversations hosted by cultural organisations, a number of smaller focus groups and 121 local conversations and an online survey. The process resulted in high levels of sector engagement and produced a wealth of information.

2.3. 186 responses were received on-line. The responses welcomed increased profile of and advocacy for culture, financial resilience and sustainability, increased high quality cultural offer, business growth and job creation, talent progression and retention.

2.4. The local conversations were a series of small to mid scale events which were organised and run by sector partners. Artsworld, Future Foundry, Art31, Ideas Test, Resort Studios, Tunbridge Wells Cultural Hub and the What Next group all held events. These were successful in capturing views from smaller

groups and individuals such as young people, undergraduates and individual artists who might not be used to working in larger and more formal environments.

2.5. The overall message from the consultation was that the sector had ambition to develop high profile, collaborative work which would raise the profile of culture in Kent. Respondents felt a new strategy should be brief and high level with an online presence capable of being readily updated and that it should be underpinned by an implementation plan and evidence base.

### **3. The 2017-2027 Strategy**

3.1. The aim of the new strategy is to build on the success of the 2010 – 2015 Strategy and identify gaps which the sector should be addressing.

3.2. The Strategy will operate in the context of Kent County Council's Strategic Statement 2015 - 2020, and will inform the Culture and Creative Economy Service Business Plan.

3.3. The Cultural Transformation Board (see appendix A for membership) supported by a small working group have prepared a draft high level document which begins with a vision statement and is then supported by specific high level outcomes under three actions: create, innovate and sustain:

- Create - the production and presentation of excellent art. Bold and experimental art is successful in engaging people. Supporting Kent's network of venues and creative people are essential to maintain quality and wider participation and engagement.
- Innovate – providing creative workspace and learning opportunities enable the development of creative ideas, skills and leadership to encourage new talent and skills.
- Sustain – supporting creative businesses to work more smartly enables them to become more financially resilient. Targeted business support encourages new business models, access to sources of finance and development of audiences and routes to market.

### **4. Next Steps**

4.1. The Strategy was open for public consultation until 12 March and a summary of the findings will be presented to the Cabinet Committee. (The consultation can be found at [www.kent.gov.uk/kentculturalstrategy](http://www.kent.gov.uk/kentculturalstrategy)).

4.2. The draft strategy will be put to the Council before the Summer. It is intended that the published strategy will include illustrations and case studies and a limited print run will be produced for distribution. An online platform will be

established. A detailed implementation plan will be agreed with partners in the Autumn.

## 5. Recommendation

### **Recommendation:**

The Cabinet Committee is asked to consider the draft strategy document (attached) and offer comments to the Cabinet Member for Community Services.

## 6. Background Documents

6.1. Appendix B - Draft Cultural Strategy

## 7. Contact details

Report Author

- Tony Witton, Cultural and Creative Economy Manager
- 03000 417204
- [Tony.witton@kent.gov.uk](mailto:Tony.witton@kent.gov.uk)

Relevant Director:

- David Smith, Director Economic Development
- 03000 417176
- [David.smith2@kent.gov.uk](mailto:David.smith2@kent.gov.uk)



## Appendix A

### Membership of Kent Cultural Transformation Board

Dawn	Badland	Applause	*
Peter	Bolton	Kent Music	
Andy	Brown	English Heritage	
Barbara	Cooper	KCC	
Sarah	Dance	Freelance	*
Mark	Everrett	Marlowe	
Steph	Fuller	Ideas Test	
Michele	Gregson	Royal Opera House	
Emma	Hanson	KCC	
Peter	Heslip	Arts Council England	
Richard	Hicks	Medway Council	
Dawn	Hudd	Maidstone District Council	
Lucy	Keeley	KCC	*
Jon	Linstrum	Arts Council England	*
Sandra	Matthews-Marsh	Visit Kent	
Janice	McGuinness	Canterbury City Council	
Lucy	Medhurst	Artswork	*
Geoff	Miles	KMEP	
Liz	Moran	Gulbenkian	
Victoria	Pomery	Turner Contemporary	
Ian	Ross	Jasmin Vardimon Company	
David	Smith	KCC	
Bethan	Tomlinson	StrangeFace	*
Alastair	Upton	Creative Foundation	
Tony	Witton	KCC	*

\*Denotes member of working group

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# **Inspirational Creativity, Transforming Lives Every Day**

**Our cultural ambition for Kent**

DRAFT

## Our Vision

By 2027 Kent will be a confident, vibrant county, where extraordinary cultural activity is easily available to all and which enriches and transforms everyone's lives.

## Our Ambition

Our ambition is to create a place where:

- our investment in creativity and innovation ensures that entrepreneurs and extraordinary cultural practitioners choose to invest, live and work in Kent
- enchanting, surprising and innovative things happen,
- diversity is celebrated and thrives,
- we are recognised nationally and internationally for our transformative cultural product, achieved through ambitious and resourceful cultural planning.

### Introduction

This strategy sets out a ten year plan from 2017 to 2027 for the shared ambition of all the creative partners in Kent: where culture becomes a part of people's everyday lives with more people engaging with, experiencing and being inspired by excellent arts.

Culture is a key driver for the prosperity of the county. The creative economy is one of the fastest growing sectors in the UK – growing at 8.9% per annum. The digital and creative industry is one of six sectors highlighted by government as a priority for growth and Kent has much strength to contribute to this.

*In the last few years, you [the Creative Industries] have been the fastest growing sector in the economy, earning nearly £90bn in 2015, more even than our successfully spectacular automotive sector. This industry leads the way. Two million people employed in all parts of the UK, a quarter of a million businesses - you make Britain what we are but you also tell the world what Britain can do.*

**Greg Clark, Secretary of State for Business, Energy and Industrial Strategy**

Culture is also an essential ingredient for a fulfilling and richly rewarding life. Creativity helps us to see the world differently and understand our place within it. A rich cultural heritage builds our sense of who we are and where we are from, affirms our identity and helps us to build our resilience and self-esteem.

Our county, largely rural, extensively coastal, with internationally important arts and heritage and post-industrial estuary towns, has a distinctive offer. Kent is the UK's main gateway to Europe and with its unique location between mainland Europe and London is well positioned to maintain and grow our international outlook.

Our region is on the edge of significant change – over the next ten years the Kent and Medway population will increase by just over a quarter. This will need to be met with significant housing and infrastructure growth. The county is characterised by some notable highlights with emerging companies alongside comparatively small and geographically dispersed creative clusters. In order to fulfil our potential and play a nationally significant role we must build on these to establish greater critical mass and strengthen our collective voice.

This strategy is shaped by and aims to strengthen the collaborative work of the cultural sector and the local authorities. The time is right for the sector to seize the multiplicity of opportunities, to enable significant economic growth for the area and to work with local people embedding culture in the very heart of our society.

We will do this through three key actions:

- *Create*
- *Innovate*
- *Sustain*

### Create

*Supporting and enabling the presentation of excellent art and growth in world class creative productivity*

The creation of excellent cultural product is at the heart of everything we do. Bold and experimental art encourages people to take part, and helps us to build a reputation as a dynamic county that provides rich cultural experiences for every person as part of their everyday lives.

A strong cultural infrastructure is vital to the production and presentation of excellent work and has a number of essential elements, which go beyond our networks of venues and technology. It includes people, collaboration, creativity and networks, which collectively form an ecology that supports delivery of high quality arts and cultural experiences.

#### We will...

- Enhance the cultural infrastructure where there is proven potential for sector growth.
- Ensure that all children and young people in Kent have access to high quality culture from an early age and on their own terms.
- Support the production of ambitious high quality work
- Deliver excellence through production, commissioning and programming by valued creative, cultural and heritage professionals
- Nurture skills and practice built upon strong artistic principles,
- Provide exciting and challenging experiences that will have a long lasting impact upon participants and audiences.
- Encourage and support the creation of work that demonstrates collaboration across a wide range of diverse backgrounds, organisations, disciplines and perspectives.
- Showcase Kent's reputation as a creative county locally, nationally and internationally.

## **Innovate**

*Developing original and creative ideas, encouraging creative leadership and supporting skills and learning.*

Success is dependent upon encouraging and embracing innovation, and creating the space for experimentation. With the growth of new communities and creative clusters throughout Kent, it is vital that we encourage and nurture creative ideas. Creating the right kind of workspace is also critical – from artist’s studios to large-scale production hubs.

Encouraging experimentation and linking with Kent’s world class research institutions and universities will support growth, innovation and skills development. Leadership and skills development are key to innovation and we will nurture new talent, new ideas and a new skilled workforce.

### **We will...**

- Pursue inward investment to enable cross sector collaboration and risk taking.
- Invest in creative clusters and workspace development
- Invest in and build upon the strengths of existing leadership and develop schemes to grow the creative leaders of our future
- Prioritise the development of the creative industries workforce with a focus on supporting the needs of freelance practitioners.
- Work with our outstanding education institutions, further developing creative and cultural research and digital innovation
- Promote cultural learning with improved careers guidance and vocational learning opportunities to develop employability, social and creative skills.
- Embrace advances in technology as essential components of the cultural landscape, and harness their creative potential to maximise use as artistic tools.
- Enable children and young people to become respected as commissioners, curators and producers of culture as much as they are audiences and participants.

## **Sustain**

*Delivering access to finance, support for businesses, smarter ways of working, and empowering entrepreneurship*

Kent is ideally placed to further develop its thriving creative economy and become an area where creativity is at the heart of everyday life. However, we need to ensure that it continues to thrive and grow.

We know that a substantial proportion of the creative sector in Kent is freelance. We will review established business models and explore ways of working together to shape the sector to become more resilient. It will be a journey that realises potential, encourages collaboration, supports development, enables growth and works towards financial stability to support a mixed economy of skilled freelancers, micro-businesses and larger companies.

Building the profile of Kent and its unique role as a centre of creativity will also be key. Culture-led regeneration has already made a tangible difference to many areas and through effective partnership working, profile building and collaboration, we will enable Kent to become seen as the most exciting and innovative creative centre.

### **We will...**

- Develop an approach to sector specific business support that champions resilience and sustainability.
- Explore new investment opportunities and access to finance, including engaging with public sector commissioning and supporting the creative sector to be investment ready.
- Embed culture and the creative economy firmly within Kent planning frameworks, ensuring that cultural provision and good design is at the heart of all new developments and integral to the growth of strong, resilient and successful communities.
- Develop and encourage creative clusters
- Collaborate with other sectors such as education, tourism and health to create areas of critical mass and strengthen the visibility and integrity of the creative sector.
- Maximise the role of digital distribution to showcase and promote work extensively and reach new audiences.
- Expand the county's cultural tourism offer, to grow the visitor economy further through enhanced connectivity and innovation.



### Towards 2027

Creating a highly successful, innovative creative economy that contributes to everyday life in Kent will not happen by accident. There will need to be specific initiatives that will take place over the next 10 years. This will need to be an iterative process but will include:

- Cultural and creative industry investment programme throughout Kent
- Cluster-led development programme building on our strengths and seizing the opportunity presented by the Thames Estuary corridor
- Invest in a skills, training and business development programme
- Creation of high powered digital connectivity across Kent
- Investment in affordable creative workspaces that sustain sector growth
- Growth of cultural infrastructure and activity to match population increase and planned housing growth
- Ensuring the development of transport and planning infrastructure is fit for purpose for digital and creative industry growth

### How will we know we have been successful?

- Kent will be respected locally, nationally and internationally as an ambitious, creative county
- All Kent residents will access rich cultural experiences as part of their everyday lives.
- Our ambitions for increased cultural entitlement for children and young people will be realised and demonstrated through the ART31 Charter
- More people and businesses will be attracted to both visit and locate in Kent

### How will we measure success?

We will design and implement different methodologies for evaluation and collecting data, but will consistently capture specific data throughout the life of the strategy including:

- Creative outputs and outcomes
- Young people as board members of creative organisations
- Levels of investment
- Employment, training and volunteering
- Participation, audience reach and engagement including statistics gathered through programmes such as Audience Finder
- Press coverage, marketing and publicity

The success of this strategy relies upon the individual actions of all stakeholders, coherently presented in support of our shared ambitions.

Drawing on evidence included in case studies, commissioned research and evaluation, we will continue to build support, including political support and engagement from those in economic development, business, tourism, health and education. We will clearly communicate our impact on the outcomes for Kent's residents and restate the case for sustained investment. We must use our collective voice to influence decision makers.

### **Delivery and ownership**

This strategy will be adopted by Kent County Council and is supported by the Kent Cultural Transformation Board, whose purpose is to connect the cultural sector in the county, creating opportunities for engagement and enabling collaboration with partners.

The Strategy will work alongside the individual business plans and artistic ambitions of Kent's creative sector, the strategic plans of key stakeholders such as Arts Council England and Historic England, and the County Council's Strategic Statement 2015 – 2020. The vision and key themes of the strategy should also be viewed alongside wider plans, particularly those arising from local, regional and national governments, including SELEP, Towards A National Prospectus for The Creative Economy in the South East, Kent's Growth and Innovation Framework, Kent and Medway Economic Partnership and the Thames Estuary Growth 2050 Commission.

DRAFT

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

To: Growth, Economic Development and Communities Cabinet Committee – 22 March 2017

Decision No: 17/00032

Subject: **Local Growth Fund, Round Three and SELEP working group schemes**

### **Key Decision**

Classification: **Unrestricted**

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

**Future Pathway of Paper:** For Cabinet Member Decision

**Electoral Division:** Sevenoaks West, Sevenoaks South, Tonbridge, Canterbury South East, Margate and Cliftonville

**Summary:** In January 2017 the Government announced an allocation of £102m of local growth funding for the South East Local Enterprise Partnership (SELEP) for the delivery of a range of transport and business support related schemes. The Growth deal (Round 3) included the allocation of funding for Fort Halstead in Sevenoaks, Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub and Leigh Flood Storage Area schemes following the submission of outline business cases for each scheme to SELEP (<http://www.southeastlep.com/growth-deal>).

In addition to the above, a SELEP wide working group (Coastal Communities group) submitted a Housing Intervention Project as part of LGF Round 1 as a pan LEP project for housing interventions to be delivered in three coastal communities; Tendring, Thanet and Hastings.

This report explains the projects for which grant funding is sought, sets out KCC's role and outlines the process that will be followed to secure the funding. It seeks the support of the Cabinet Committee for KCC to accept Government grant funding and transfer it to the respective delivery organisation, subject to approval of a full business case.

### **Recommendation(s):**

The Growth, Economic Development and Communities Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Economic Development, as shown at Appendix A, to agree that the Council shall (subject to the completion of a full business case, satisfactory appraisal by an Independent Technical Evaluator and approval by SELEP Accountability Board):

i) Accept Government grant funding of £12.95m capital to deliver the following schemes:

Fort Halstead in Sevenoaks (1.53m)

Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub (6.12m)

Leigh Flood Storage Area and East Peckham– Unlocking Growth (4.636m)

SELEP Coastal Communities – Housing Led Economic Regeneration in Cliftonville West/Margate Central (£0.666m)

ii) Enter into agreements for the transfer of Local Growth Fund to the respective delivery organisation for the three schemes; and

iii) Delegate to the Director of Economic Development and Director of Environment, Planning and Enforcement the authority to conclude arrangements to secure the recovery of administration costs associated with KCC's management of the grant agreements.

## **1. Introduction**

1.1 In the Growth Deal announcements in July 2014 (Round One) and January 2015 (Round Two), the Government allocated £482 million from the Local Growth Fund to capital projects across the South East Local Enterprise Partnership (SELEP) area.

1.2 In January 2017 a further Growth Deal Extension was announced by Government following a SELEP Local Growth Fund Round Three submission.

1.3 In total, through the three rounds, £104m Local Growth Fund has been allocated towards the delivery of 25 Highways and Transportation projects in Kent and £24m has been allocated to deliver 6 non-transport schemes in Kent.

1.4 The Growth Deal extension (Round 3) included the allocation of funding for Fort Halstead in Sevenoaks, Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub and Leigh Flood Storage Area schemes following the submission of outline business cases for each scheme to SELEP (<http://www.southeastlep.com/growth-deal>).

1.5 In addition to the above, a SELEP wide working group (Coastal Communities group) submitted a Housing Intervention Project as part of LGF Round 1 as a pan LEP project for housing interventions to be delivered in three coastal communities; Tendring, Thanet and Hastings.

1.6 Through the Service Level Agreement with Essex County Council as the Accountable Body for SELEP, Kent County Council is responsible for the programme management of all Local Growth Fund projects in Kent. There are, however, specific projects for which third party organisations are responsible for delivery.

1.7 This report provides an overview of the projects and recommendations for the required decisions to allow the 4 Kent non-transport schemes to be progressed:

- Fort Halstead, Sevenoaks
- Kent and Medway Engineering, Design, Growth and Enterprise (EDGE) Hub
- Leigh Flood Storage Area (LFSA) & East Peckham – Unlocking Growth
- SELEP Coastal Communities - Housing Led Economic Regeneration in Cliftonville West/Margate Central (Thanet District)

## 2 Fort Halstead, Sevenoaks

- 2.1 The Fort Halstead scheme is a £32.03m (£1.53m LGF) project to be delivered between 2017/18 and 2020/2021. The scheme is being developed in partnership with Sevenoaks District Council.
- 2.2 £1.53m Local Growth Fund has been provisionally allocated to the project, subject to the approval of a full business case by the SELEP Accountability Board.
- 2.3 Fort Halstead is a 135 hectare site located just within the M25 and accessed via the A224 between Sevenoaks and Orpington. Since the 1880s, the site has been used as a defence establishment and served for many years as a centre for defence research and development, employing around 4,000 people at its peak.
- 2.4 In 2011, the Defence Science and Technology Laboratory (DSTL) announced that it intends to relocate its operations to Porton Down and Portsdown West by 2018, leaving a large part of the site vacant. While there will be continuing employment at QinetiQ, a private sector defence research organisation employing around 200 people on site, DSTL's exit means a substantial loss of around 800 mainly high-value jobs.
- 2.5 The freehold of the site is currently owned by QinetiQ, with a long leasehold held by Armstrong (Kent) LLP, a joint venture between RREEF (the real estate investment arm of Deutsche Bank) and Hines.
- 2.6 In 2015, Sevenoaks DC granted outline planning permission for a mixed use development, including:
- 27m2 business park (B1 and B2, with ancillary energetic materials testing, linked with QinetiQ)
  - 450 homes
  - Hotel of up to 80 beds
  - Village centre and use of the Fort as a historic interpretation area.
- 2.7 This represents a significant opportunity for both employment and residential growth. Given the site's heritage as a high-value employment location of regional significance, Sevenoaks DC wishes the development to be employment-led and has placed a condition on the planning permission so that delivery of the business park proceeds first.

- 2.8 To expedite delivery, Sevenoaks DC wishes to purchase the commercial part of the site and to enter into a joint venture to take forward the business park. This will support the delivery of jobs (200 of which are already on site at QinetiQ) and accelerate the housing build.
- 2.9 This public intervention is required because while Fort Halstead is an attractive business park location and a viable investment proposition, the returns to residential development in this location are such that without strong planning conditions, the employment element is unlikely to come forward for many years, if at all. This would be a major economic loss, given the value of the employment that the site could attract. Even with strong planning conditions, there remains an incentive for a private developer to postpone development in anticipation that planning conditions may weaken.
- 2.10 The proposal for LGF investment therefore seeks to break this deadlock, opening up the new business park as required in the planning consent and therefore enabling the residential development to proceed.
- 2.11 The LGF investment will cover 75% of the estimated purchase price of the land, with the remaining 25% being invested by Sevenoaks DC.
- 2.12 There is no KCC contribution proposed to this project. However, KCC will be accountable for up to £1.53 million in Government funds to be delivered by Sevenoaks DC. There will be administration costs incurred in the management of the grant agreement and monitoring of the scheme, which will be recovered from the allocated LGF funding.

### **3 Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub**

- 3.1 The Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub scheme is a £21m (£6.12m LGF) project to be delivered between 2017/18 and 2020/2021. The scheme is being developed in partnership with Canterbury Christ Church University (CCCU).
- 3.2 £6.12m Local Growth Fund has been provisionally allocated to the project, subject to the approval of a full business case by the SELEP Accountability Board.
- 3.3 The funding will enable the construction of the Kent and Medway EDGE Hub and associated equipment costs. This will be a new 3,588m<sup>2</sup> facility in Canterbury, with satellite facilities at Discovery Park, Medway Campus and other parts of Kent, to support high value employment, growth and investment in Engineering and Technology businesses.
- 3.4 The Hub will be worth an estimated £9.5m to £11m per year to the Kent and Medway economy, with new learners with higher level engineering and technology skills coming into the labour market by 2024, plus a range of research and innovation benefits.
- 3.5 The investment will take the University's existing plans to expand science at the former Canterbury Prison site to the next level by:

- Adding a whole new suite of Technical and Professional Education opportunities (Higher and Degree Apprenticeships, Foundation Degrees, Undergraduate Degrees, Masters and Doctoral programmes) in Engineering, Product Design and Technology.
  - Creating a new Engineering and Technology Innovation Service that will work with small businesses, larger companies, inventors and entrepreneurs to take innovations from prototype to commercialisation.
  - Supporting companies with business-focused PhD, Masters, Undergraduate and commercial research projects using state-of-the-art facilities.
  - Offering new business-focused short courses and CPD opportunities, meeting the needs of small and larger companies.
- 3.6 In addition to working with a range of industry partners, such as Discovery Park, the Hub will act as a catalyst for developing an enhanced local and regional strategic approach to inspiring and enabling an expansive sustainable education pipeline, supporting new learning and career pathways in Engineering and Technology. It will build on and interface with other regional STEM educational ambitions, such as a proposed STEM Centre in Canterbury, which has the potential to engage young people in employer-led scientific research embedded in their learning experiences.
- 3.7 This is essential in Kent and Medway, where progression by young people into higher level engineering and technology courses is below the national average, with those that do progress tending to leave the area. Being based in a more vocationally oriented institution like CCCU, which has always recruited large numbers of local and regional students and those from under-represented groups, Kent and Medway EDGE Hub aims to build a passion for Engineering and Technology among young people. It will address identified recruitment challenges that are holding back economic growth and investment.
- 3.8 The remaining £14.88m of the £21m total requirement will come from the University's own funds, commercial borrowing against the projected additional income from students on the new Engineering and Technology courses (including CPD), research activities and employer contributions of equipment in kind.
- 3.9 There is no KCC contribution proposed to this project. However, KCC will be accountable for up to £6.12 million in Government funds to be delivered by CCCU. There will be administration costs incurred in the management of the grant agreement and monitoring of the scheme, which will be recovered from the allocated LGF funding.

#### **4 Leigh Flood Storage Area and East Peckham – Unlocking Growth**

- 4.1 The Leigh Flood Storage Area and East Peckham scheme is a £24.691m (£4.636m LGF) project to be delivered between 2017/18 and April 2022. The scheme which was highlighted as a ministerial priority in the growth deal

announcement is being developed in partnership with the Environment Agency, Tonbridge and Malling Borough Council and Maidstone Borough Council.

- 4.2 £4.636m Local Growth Fund has been provisionally allocated to the project, subject to the approval of a full business case by the SELEP Accountability Board. The remaining funding is provided through £15.55m of Flood Defence Grant in Aid from the Environment Agency, £0.5m from Tonbridge and Malling BC and £2.5m from KCC.
- 4.3 In addition, the above partners (and Maidstone Borough Council) have contributed towards the development of the business case and the Environment Agency has entered into dialogue with local businesses and land owners regarding a contribution towards the scheme.
- 4.4 Tonbridge and Malling has a strong record of sustainable growth, delivering jobs and homes at a consistently high level for a number of years. The borough council is in the process of producing a new Local Plan, setting out policies for development and identifying new sites for new housing and employment uses to meet the area's objectively assessed need.
- 4.5 The area benefits from the presence of the Leigh Flood Storage Area. However, the capacity was insufficient to protect the area in 2013/14 when Tonbridge and East Peckham suffered serious flooding, affecting 311 homes and over 110 businesses in both communities.
- 4.6 In addition to the flood risk to existing properties, considerable parts of the borough are constrained by the risk of flooding. Urgent work is required to increase the capacity of the storage area and to undertake local works at East Peckham in order to achieve greater protection for both existing homes and businesses and to unlock new residential and commercial development.
- 4.7 This package will provide improved flood protection to approximately 2,300 homes, they will also protect unlock land for development, which would otherwise have been undevelopable. This could lead to 1,950 new homes and 2,900 new jobs by 2031.
- 4.8 There is a £2.5m contribution from KCC proposed to this project, along with another £1.5m for a separate project to deliver flood protection works in Yalding, Collier Street and the surrounding areas, making a total contribution from KCC for flood defences in the Medway valley of £4m. KCC will also be accountable for up to £4.636 million in Government funds to be delivered by the Environment Agency. There will be administration costs incurred in the management of the grant agreement and monitoring of the scheme, which will be recovered from the allocated LGF funding.

## **5 SELEP Coastal Communities – Housing Led Economic Regeneration in Cliftonville West/Margate Central (Thanet District)**

- 5.1 The Coastal Communities scheme is a £8.8m (£2m LGF) SELEP wide project to be delivered between 2017/18 and 2020/21 in Jaywick (Clacton on Sea), St Leonards, (Hastings) and Cliftonville (Margate). The scheme is being developed



in partnership with Tendering District Council, Hastings Borough Council and Thanet District Council.

- 5.2 The project is set out as three separate packages and it is intended that the £2m LGF funding allocation will be split equally between the three coastal communities and managed as three separate packages of investment. The £0.666m that is allocated to Thanet is subject to the approval of an overall full business case by the SELEP Accountability Board.
- 5.3 The South East LEP has identified the Coastal Communities of the LEP area as the worst performing parts of the SE LEP area in economic terms. Poor economic performance is associated with high levels of disadvantage, which in turn makes it harder to attract the business investment that would lead to catch-up economic growth.
- 5.4 The areas of Cliftonville West and Margate Central have been a strategic priority for Thanet District Council for a number of years, reflected in the designation in 2005 of a Renewal Area covering these neighbourhoods. A new strategy for regeneration was put in place in 2010 by Thanet DC and KCC, recognising the worsening circumstances in the area and the changing funding environment.
- 5.5 The scheme will help to continue the programme of converting empty or problem properties into family accommodation, creating 12 additional homes. Thanet DC will commit £612,400 to this element of the programme and £150,000 of its own funding for a programme of Home Improvement Loans to be offered to low income and vulnerable households, focused on the intervention area. This programme of action is separate from the Live Margate and the No Use Empty programmes run by KCC, and the Thanet Owner Occupier Loan Scheme already run by Thanet DC.
- 5.6 There is no KCC contribution proposed to this specific project. However, KCC will be accountable for up to £0.666m in Government funds to be delivered by the Thanet DC. There will be administration costs incurred in the management of the grant agreement and monitoring of the scheme, which will be recovered from the allocated LGF funding.

## **6 Financial Implications**

- 6.1 It has been agreed with Government that SELEP and therefore Kent County Council will receive Local Growth Fund in quarterly instalments in advance in accordance with the scheme spending profiles, subject to completion of a Transport Business Case for each project and the approval of the project by SELEP Accountability Board.
- 6.2 The Service Level Agreement between the SELEP Accountable Body (Essex County Council) and Kent County Council transfers responsibility for the delivery of the LGF projects in Kent to the Council.
- 6.3 An agreement will be developed for those schemes to be delivered by third parties to transfer the conditions of LGF spend and project management

responsibility to them. This will include updating Kent County Council with regular reporting on project progress and spend.

- 6.4 The LGF funding for the 4 schemes is not required in 2016/17, therefore it is anticipated that the Transport Business Cases for these schemes will be considered by a future meeting of the SELEP Board in 2017/18.

## **7 Policy Framework**

- 7.1 The delivery of the Fort Halstead in Sevenoaks, Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub, Leigh Flood Storage Area and SELEP Coastal Communities schemes will support the Council in meeting its Strategic Outcome for “Kent Communities to feel the benefits of economic growth by being in work, healthy and enjoying a good quality of life”. This will be achieved through the projects supporting growth by enabling new residential and commercial development, improvements to existing housing stock and encouraging high value employment.
- 7.2 The delivery of the Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub will also support the Council in meeting its Strategic Outcome for ‘Children and young people in Kent to get the best start in life’ and the supporting outcome that ‘All children and young people are engaged, thrive and achieve their potential through academic and vocational education’
- 7.3 The delivery of the Leigh Flood Storage Area will also support the Council in meeting the supporting outcome ‘Kent’s communities are resilient and provide strong and safe environments to successfully raise children and young people.

## **8 Conclusions**

- 8.1 The Fort Halstead in Sevenoaks, Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub, Leigh Flood Storage Area and SELEP Coastal Communities schemes are important projects in supporting economic growth in Kent, through the provision of additional residential and commercial developments, improvements to existing housing stock and encouraging high value employment. The allocation of Local Growth Fund to these projects is welcomed in supporting the continued growth in Kent. The programme will be challenging but some preliminary work has already been undertaken on these schemes and there is confidence that the delivery dates for these schemes can be met.

## **9. Recommendation(s):**

The Growth, Economic Development and Communities Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Economic Development, as shown at Appendix A, to agree that the council shall (subject to the completion of a full business case, satisfactory appraisal by an Independent Technical Evaluator and approval by SELEP Accountability Board):

- i) Accept Government grant funding of £12.95m capital to deliver the following schemes:

Fort Halstead in Sevenoaks (1.53m)  
Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub (6.12m)  
Leigh Flood Storage Area and East Peckham– Unlocking Growth (4.636m)  
SELEP Coastal Communities – Housing Led Economic Regeneration in Cliftonville  
West/Margate Central (£0.666m)

ii) Enter into agreements for the transfer of Local Growth Fund to the respective delivery organisation for the three schemes; and

iii) Delegate to the Director of Economic Development and Director of Environment, Planning and Enforcement the authority to conclude arrangements to secure the recovery of administration costs associated with KCC's management of the grant agreements.

## **10. Background Documents**

Appendix A – Proposed Record of Decision

## **11. Contact details**

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## KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

### DECISION TAKEN BY

**Mark Dance, Cabinet Member for Economic Development**

### DECISION NO:

**17/00032**

### For publication

### Key decision\*

Yes – Expenditure over £1m

**Subject:** Accept Grant Funding to deliver the following Local Growth Fund schemes

- Fort Halstead in Sevenoaks
- Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub
- Leigh Flood Storage Area and East Peckham– Unlocking Growth
- SELEP Coastal Communities – Housing Led Economic Regeneration in Cliftonville West/Margate Central

### Decision:

As Cabinet Member for Economic Development, I agree to

Accept Government grant funding of £12.95m capital to deliver the following schemes:

- Fort Halstead in Sevenoaks (1.53m)
- Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub (6.12m)
- Leigh Flood Storage Area and East Peckham– Unlocking Growth (4.636m)
- SELEP Coastal Communities – Housing Led Economic Regeneration in Cliftonville West/Margate Central (£0.666m)

ii) Enter into agreements for the transfer of Local Growth Fund to the respective delivery organisation for the three schemes; and

iii) Delegate to the Director of Economic Development and Director of Environment, Planning and Enforcement the authority to conclude arrangements to secure the recovery of administration costs associated with KCC's management of the grant agreements.

### Reason(s) for decision:

In January 2017 the Government announced an allocation of £102m of local growth funding for the South East Local Enterprise Partnership (SELEP) for the delivery of a range of transport and business support related schemes. The Growth deal (Round 3) included the allocation of funding for Fort Halstead in Sevenoaks, Kent & Medway Engineering, Design, Growth and Enterprise (EDGE) Hub and Leigh Flood Storage Area schemes following the submission of outline business cases for each scheme to SELEP (<http://www.southeastlep.com/growth-deal>).

In addition to the above, a SELEP wide working group (Coastal Communities group) submitted a Housing Intervention Project as part of LGF Round 1 as a pan LEP project for housing interventions to be delivered in three coastal communities; Tendring, Thanet and Hastings.

**Governance**

All schemes will be delivered in line with the current governance arrangements under the Local Growth Fund (KCC and SELEP). Therefore each scheme will carry out necessary consultation and equality impact assessments as part of the scheme progression.

**Cabinet Committee recommendations and other consultation:**

The Growth Economic Development and Communities Cabinet Committee will consider this matter at its meeting on 22 March 2017 and any comments will be taken into account when the decision is being made

**Any alternatives considered:**

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

.....  
signed

.....  
date

Name:

**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, 22<sup>nd</sup> March 2017

**Subject:** Growth, Environment and Transport Directorate Business  
Plan 2017-18

**Classification:** Unrestricted

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

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

**Summary:** This report outlines the draft Growth, Environment and Transport Directorate Business Plan (2017-18) for consideration and comment, prior to publication online in April 2017.

**Recommendation(s):**

The Cabinet Committee is asked to:

- (1) Consider and comment on the final draft Growth, Environment and Transport Directorate Business Plan (2017-18)
- (2) Note that the final Directorate Business Plan will be published online in April 2017

**1. Introduction**

- 1.1 The Strategy, Policy, Relationships and Corporate Assurance division is responsible for coordinating the annual business planning process. In December 2016, the Policy and Resources Cabinet Committee agreed the business planning approach for 2017-18.
- 1.2 Directorate Business Plans play an important part in reflecting how each directorate will support the achievement of the County Council's 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 business planning process has evolved over the past few years to support the organisation in its move to becoming a strategic commissioning authority, and as part of this, takes a rolling three year approach to its priority setting and commissioning activity. This year's

process also takes into account the business planning priorities set by Cabinet Members and the County Council in the Strategic Statement Annual Report and the findings of the Internal Audit of the 2016-17 business planning process.

## **2. Growth, Environment and Transport Directorate Business Plan**

2.1 The draft Growth, Environment and Transport Directorate Business Plan is set out in **Appendix 1**. This provides the Cabinet Committee with the opportunity to comment before final approval by Cabinet Members.

2.2 New features in this year's business plan include:

- A section describing the directorate's role and structure
- A section detailing progress made against the directorate's 2016-17 priorities
- A section setting out the operating environment that will impact the directorate over the next three years, to provide context for its priority setting.
- A focus on the directorate, rather than divisional priorities for 17-18; the divisional-level priorities will be set out in divisional business plans where further operational detail is provided.
- Simplified information for commissioning activity and how services are delivered, with the expectation that further detail on external contracts can be found in KCC's contract register.
- A section setting out how the business plan will be monitored and reviewed.

2.3 Building on last year's progress, the Growth, Environment and Transport directorate has identified the following priorities for 2017-18:

- 1) Further develop and refine GET's approach to commissioning services
- 2) Deliver and embed our Customer Service Programme
- 3) Explore and develop multi-agency approaches to improve delivery of GET's services
- 4) Develop and deliver GET's county-wide strategies
- 5) Develop GET's offer of a preventative model to supporting the health and wellbeing of Kent's residents and related outcomes across KCC and our partners
- 6) Strengthen the county's resilience
- 7) Plan and deliver appropriate growth in the county and in doing so, explore and utilise smart technology to support delivery of better outcomes.

2.4 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.



### 3. Next Steps

- 3.1 The final version will be approved by the Corporate Director for Growth, Environment and Transport and Cabinet Members for Environment and Transport, Economic Development and Community Services. It will then be published online on Kent.gov.uk in April 2017.
- 3.2 As with previous years, divisional and service business plans will be made accessible to elected members and staff in a single area of KNet from May 2017. This allows sharing of good practice and provides members with the opportunity to see the detail of service delivery in areas of particular interest.
- 3.3 The Strategy, Policy, Relationships and Corporate Assurance division will then review the effectiveness of this year's business planning approach during summer 2017, in order to make iterative improvements for next year's process.

### 4. Recommendations

4.1 The Cabinet Committee is asked to:

- (1) **Consider and comment** on the final draft Growth, Environment and Transport Directorate Business Plan (2017-18).
- (2) **Note** the final Directorate Business Plan will be published online in April 2017.

#### Appendices:

Appendix 1: Draft Growth, Environment and Transport Directorate Business Plan (2017-18)

#### Background Document:

'Business planning 2016-17 and 2017-18', P&R Cabinet Committee, 2<sup>nd</sup> December 2016

<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=750&MId=6213>

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# Growth, Environment and Transport

## Directorate Business Plan 2017-18

*(Comms' standard cover & back pages to be added)*

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**A. Corporate Director’s Foreword**

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*To be added.*

DRAFT

## B. GET at a Glance

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The Growth, Environment & Transport directorate is considerable in its breadth and depth. With a budget of **£161.8 million** and over **1200 staff** (FTE), 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, introduce children to an understanding and love of the outdoors through our Country Parks, protect vulnerable residents against rogue traders, actively support the low carbon sector, and bring history alive for local communities.

Building on the progress of last year, the Growth, Environment and Transport (GET) priorities for 2017-18 will be to:

- 1) Further develop and refine GET's approach to commissioning services
- 2) Deliver and embed our Customer Service Programme
- 3) Explore and develop multi-agency approaches to improve delivery of GET's services
- 4) Develop and deliver GET's county-wide strategies
- 5) Develop GET's offer of a preventative model to supporting the health and wellbeing of Kent's residents and related outcomes across KCC and our partners
- 6) Strengthen the county's resilience
- 7) Plan and deliver appropriate growth in the county and in so doing, explore and utilise smart technology to support delivery of better outcomes.

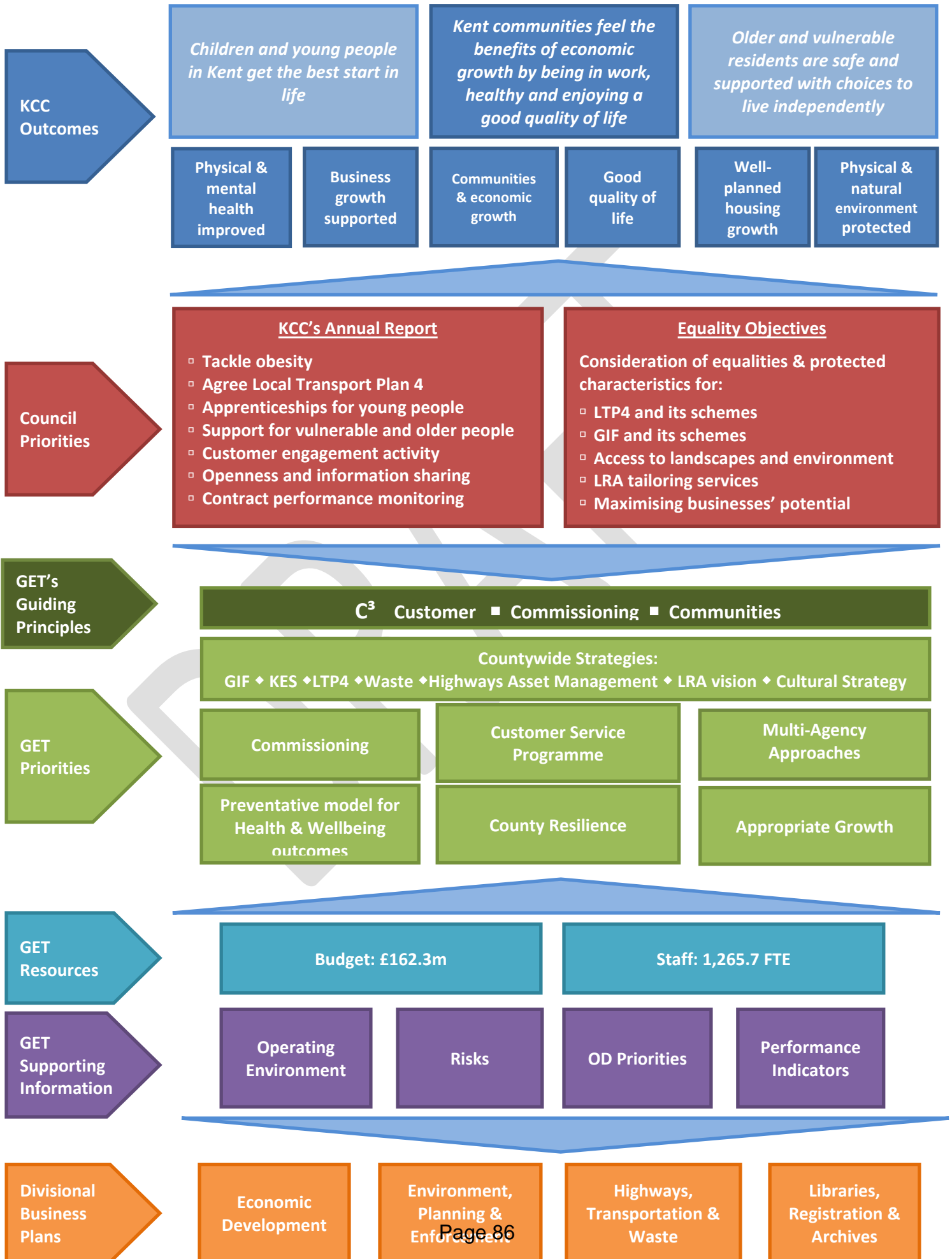
Our business plan also provides an update on progress against last year's priorities, sets out the context of challenges and opportunities of the operating environment that shapes GET's priorities, the major commissioning activity scheduled for the next three years and provides information on how our services are delivered.

A summary of our resources for 2017-18 is as follows:

Net Budget	£161.8m
Capital (part of £742.6m three year programme)	£103.6m
Staff Resource	1,264.6 FTE

As with last year, overleaf you will find our 'plan on a page' which draws together all of the key components that shape our work for this year: KCC's strategic outcomes and corporate priorities that are relevant to GET's services, our directorate's cross-cutting principles and priorities, and the resources and measures required to implement them.

# GET's Plan on a Page



## C. GET - Who we are and what we do

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The Growth, Environment and Transport directorate (GET) covers a wide and diverse range of functions that deliver much valued services directly to residents and businesses as well as keeping the county moving. The directorate consists of four divisions:



### Economic Development

The Economic Development division (ED) supports business and housing growth. Following the recent redesign in 2016, it consists of four services:

**Infrastructure**, which negotiates and secures financial contributions including Section 106 and the Community Infrastructure Level (CIL) from property developers to fund the delivery of Council services such as schools, as well as managing regeneration projects such as the No Use Empty scheme to bring empty properties to residential use.

**Business and Enterprise**, which includes the business loan and grant schemes, local support for trade development, management of broadband infrastructure rollout across the county and support for inward investment and visitor economy services.

**Economic Strategy and Partnerships**, which includes European and international partnerships and funding, strategy development, strategic partnerships such as supporting the Kent & Medway Economic Partnership and Business Advisory Board, and the central project monitoring and support function.

**Cultural and Creative Economy**, which helps to maximise the contribution of the arts and creative sector to economic growth and community wellbeing, working directly with the sector to ensure both excellence in delivery and product, and widening participation.

## Environment, Planning and Enforcement

The Environment, Planning and Enforcement division (EPE) delivers a range of strategic and frontline services to create a quality and safe environment for sustainable economic and housing growth. From managing 4255 miles of Public Rights of Way to attracting and lobbying for millions of pounds in infrastructure investment, its services deliver against a host of wider Kent County Council (KCC) outcomes, including a healthier lifestyle for our residents and a safer environment for our younger, older and vulnerable residents across six teams:

**Strategic Planning and Policy (SPP)**, providing strategic planning and advice across a range of expertise from transport to flood risk to the natural and historic environment, identifying and delivering infrastructure necessary to support sustainable and quality growth.

**Public Protection (PP)**, providing a range of services for safer communities (often in close partnership with other agencies) from emergency planning and resilience to community safety and our Community Wardens service; regulatory services such as Trading Standards and Kent Scientific Services; the Coroners Service; the Public Rights of Way network and management of Gypsy and Traveller sites; all underpinned by a robust business development and intelligence team.

**Planning Applications and Minerals & Waste Policy Planning (PAG)**, which is responsible for the Council's statutory planning functions, determining planning applications for minerals and waste developments in Kent and for KCC's own developments such as schools and care facilities, and pre-application advice and planning enforcement.

**Countryside, Leisure and Sport (CLS)**, which provides a strategic coordinating role for sport and recreational activity, manages the Explore Kent brand to promote outdoor activities, manages nine country parks and oversees Kent's approach to volunteering.

**Sustainable Businesses and Communities (SBS)**, which develops, delivers and manages the Kent Environment Strategy and KCC's Environment Policy; works with businesses to support the development of the low carbon and resource efficient economy; delivers energy efficiency projects; and works with public sector partners to help residents and businesses be more resource efficient and protect and enhance the natural environment.

**Kent Downs Area of Outstanding Natural Beauty Unit (KDAONB)**, which conserves and enhances the nationally protected Kent Downs AONB; it is a partnership hosted by KCC to support the Council and 11 other local authorities.

## Highways, Transportation and Waste

The Highways, Transportation and Waste division (HTW) consists of four service groups that deliver two core purposes:

- The management, maintenance and improvement of the County's 5,400 miles of highway network and associated assets in a way that meets the needs of residents, communities and businesses now and in the future, provides viable alternatives to the car and supports growth by delivering major projects and managing development. Our highway network is the most valuable asset we own in Kent, valued at £19.8 billion, and plays a vital part in delivering KCC's strategic outcomes.
- The processing and disposal of the household waste and recycle 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.

**Highways Asset Management**, which inspects and maintains highways assets, balancing asset management principles and local needs to keep them safe, and coordinate all activities on the highway to minimise disruption to all road users. This includes planned highway maintenance,



cleaning highway drains, managing soft landscaping, winter gritting and other severe weather responses, resolving faults reported by customers, managing and coordinating all roadworks and keeping people informed of incidents that may affect their journey.

**Transportation**, which plans and improves Kent's highway network, including casualty reduction, delivery of major capital projects and local growth fund schemes, promoting walking and cycling as sustainable alternatives to the car for shorter journeys, cycling and driver training, freight and network improvement, parking, congestion relief and maintenance of traffic signals.

**Public Transport**, which enables access to education, health and community services through the planning, procurement and management of public transport services, including subsidised bus services, delivering KCC's statutory and discretionary transport, issuing the Young Person's Travel Pass, delivering free bus passes for older and disabled people and providing information about bus times and routes.

**Waste & Business Services**, which helps people to manage their waste through partnership working with the Districts, managing Household Waste Recycling Centres, managing closed landfill sites to prevent pollution and working with agencies to deter environmental crime. Also provides a robust commercial approach to contract management, performance and delivery throughout the HTW division.

## Libraries, Registration and Archives

Libraries, Registration and Archives (LRA) is an internally commissioned service which delivers services that support people throughout their lives. LRA's services are open to everyone, but also targeted to help those who most need them. Through these 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. The service also contributes to improved health and wellbeing, and tackling social isolation. LRA is committed to continually developing to ensure that it meets the ever-changing needs of the people of Kent. This offer is delivered through three services:

**Libraries:** The service is delivered through library buildings across the county, the mobile library service, our online offer, and for those unable to use these options, a range of outreach services such as the home library and postal loan services. As well as books, we also offer access to ICT, a place to meet others and a range of events and activities for all ages.

**Registration:** Through this service people can register a birth or death, get married at one of our KCC or licensed venues across the county, and get their passport or settlement application forms checked. We also offer a welcoming ceremony to new UK citizens in Kent.

**Archives:** With over 14 kilometres of unique and precious historical archive material, the service works to conserve, protect and provide access to this remarkable collection for current and future generations. Based at the Kent History and Library Centre in Maidstone, the service is working to make more material available to a wider audience and exploring the potential of digitisation to do so.

Information on which services are delivered internally and externally can be found in **Appendix 1**, and you can find out more about our services in our divisional business plans on KNet.

## D. Progress on 2016-17 Directorate Priorities

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GET has made good progress on delivering its directorate priorities for 2016-17. This is what we have been doing:

### **1. Continuing GET's commissioning journey**

An **intelligence-led approach and attention to the Analyse phase** of the commissioning cycle has been a particular focus for GET services. Economic Development have applied an intelligence-led approach to commissioning the Kent & Medway Growth Hub, inward investment services and Regional Growth Fund programmes; Highways, Transportation & Waste has conducted in-depth Analyse phases for their commissioning of the LED Street Lighting project and Term Maintenance Contract. LRA completed an evidence-based redesign of its mobile library service which delivered a saving of £150k. In addition, the Cultural & Creative Economy team are working with HTW to deliver social value through a new recycling contract by developing an engagement programme to raise awareness about recycling and waste.

**Optimal value for money** is being achieved through commissioning services, for example Trading Standard's 'fair trader scheme' is now externally delivered to produce better outcomes, whereas the Kent & Medway Growth & Infrastructure Framework has been brought in-house after initially being externally commissioned. A new Dynamic Purchasing System is being introduced for the Public Rights of Way service's future maintenance contracts.

**Governance arrangements** are continuing to be developed and refined. HTW took part in KCC's maturity review of contract management performance and GET received positive and constructive feedback on the internal audit of its governance and commissioning procedures. LRA's internal commissioning model has moved forwards; activity included developing a reporting mechanism against LRA's Service Specification, which was endorsed by the Growth, Economic Development & Communities Cabinet Committee in December 2016. Successful engagement of Member task and finish groups helped shape activity including the Soft Landscaping procurement plan, a revised approach to Highways Asset Management, and development of Local Transport Plan 4 and the Waste strategy.

### **2. Implementing and embedding our Customer Service Programme**

The Programme was set up in response to a series of recommendations from a review report, to support a more streamlined and enhanced customer service offering to GET's customers. Good progress has been made during the past 12 months, increasing the customer focus of our business activity and creating a strong foundation for sustained growth across a number of themes:

#### **Voice of the customer:**

- Enhancing insight to consider our customers' equality and diversity needs when designing services - achieved through training, mentoring, improved tools and shared learning
- Services such as KDAONB, Community Safety and LRA are actively engaging customers and non-users through surveys, social media and face to face events to find effective ways to roll out or improve services and projects
- Improved complaints management, increasing consistency and quality of complaints handling, and more comprehensive reporting and analysis to identify trends and areas for improvement

#### **Managing for success:**

- Staff personal development plans now include customer service targets and there has been a specific focus on e-learning modules to underpin our learning and development
- Customer service actions are included in all divisional business plans
- Developing a culture where complaints are valued as rich learning to build improvements. HTW are using 100 callbacks per month on closed customer enquiries to see the service through the customers' eyes which is fed back to managers for review and learning action

**Customer first:**

- We have prioritised services for digital transformation and most urgent digital improvement, to improve the online customer experience and increase the opportunity for customers to self-serve
- Enhanced the highways reporting tool in response to customer feedback, and will be introducing changes to enable reporting via mobile devices
- Exploring opportunities to work with Agilisys as our corporate strategic digital partner
- Services such as PROW and Coroners are introducing IT systems and online portals to help customers and partners receive better information and interact with the service

**Staff culture and leadership:**

- Evidenced-based assessment of staff views and experiences (including a GET-wide staff survey) identified leadership, management and communication as areas of focus for further development, and provided a benchmark to measure progress of future activity.
- Sustained high profile communication and engagement with GET staff as a golden thread underpinning all programme activity, including regular calls to action through '10 Minute Challenges'
- Economic Development are fully embedding GET's customer service principles into their services to improve interaction with developers, districts, business loan recipients and public enquiries to the BDUK programme

**3. Devolution and District Deals**

Highways and community safety are two priorities in the West Kent cluster, to improve the services' outcomes and efficiency across the four authorities. The highways work seeks to improve coordination between officers, highways maintenance and street-scene, and collectively prioritise local highways improvement schemes. Work on community safety devolution issues has culminated in the proposal to develop a single West Kent Community Safety Partnership and better joint working between district Community Safety Units and KCC's Community Wardens in West Kent Authorities. In East Kent, initial meetings have analysed the potential for more collaborative working in the delivery of community safety, with a commitment to wider discussions on licensing and enforcement services.

**Ashford District Deal:** progress has included the coordination and sharing of resource on waste, street cleaning and cold weather salting; quick progression of the development of a key Ashford town centre site, the coordination of efforts between KCC and Ashford Borough Council (ABC) on Operation Kindle and the new Enforcement Protocol for lorry parking, resulting in increased usage of the Ashford lorry park. Rural parishes are rolling out the KCC Caretaker Scheme in conjunction with the new in-house ABC grounds maintenance contract.

**Other devolution activity:** EPE's Strategic Planning team worked with SE7, the group of South East local authorities, on establishing a shadow Sub-National Transport Body for the South East.

**4. Develop and implement GET's county-wide strategies**

During 2016-17, the following major county-wide frameworks and strategies were developed; together they helped identify and support the attraction of £102m in Local Growth Funding for capital infrastructure across Kent and Medway, and a further £25m in revenue projects to support Kent's natural and historic environment:

**The Kent and Medway Growth and Infrastructure Framework (GIF)** was the Winner for 'Excellence in the Planning to Deliver Infrastructure' category of the Royal Town Planning Institute (RTPI) Southeast Planning Awards 2016, recognised for its innovation and collaboration. Over 2016, it was used to provide robust evidence to articulate funding requirements and lobby for investment and engage with London, South East partners and key infrastructure providers including utilities. It has informed a prospectus compiled by KCC and partners on solutions to unlock housing growth, as well as providing a tool for collaboration with the Housing Finance Institute (HFI) on mapping utilities and formation of a Kent Utilities Engagement Sub-Committee to work with utilities companies in planning for the growth ambitions. A comprehensive refresh of the GIF for 2017 has now commenced, using up-to-date population and housing forecast figures.

#### **The new Local Transport Plan 4: Delivering Growth without Gridlock 2016-31 (LTP4)**

underwent a 12 week public consultation between August and October 2016; the consultation draft is currently being revised to take account of the responses and is expected to be adopted as KCC policy by summer 2017. Prior to the consultation, KCC engaged with all 12 district partners and Medway Council in the formation of the strategy and future priorities for inclusion in the draft plan. These priorities will be further refined and will support KCC and partners to work together in strategy and planning for future priorities. Once LTP4 is adopted, it will inform the priorities for future funding bids for transport schemes and therefore drive forward the delivery of the transport strategy.

**The Kent Environment Strategy (KES)** seeks to ensure that the county of Kent is benefitting from a competitive, innovative and resilient economy, with our natural and historical assets enhanced and protected for their unique value and positive impact on our society, economy, health and wellbeing. Major achievements this year included the completion of the KES Implementation Plan 2017 with partners, the KES Impact Report which highlights key activity delivered and the public Environmental Survey, findings from which fed into the first Annual Report for KCC's Strategic Statement. The Strategy was launched in December 2016 at Allington Castle, with key speakers including the Rt. Hon. Lord Deben (Chair of the Committee on Climate Change) and Emma Howard Boyd (Chair of the Environment Agency).

Other strategy development included adopting a new approach to **Highways Asset Management**, which seeks to maximise the lifespan of our assets, minimise their lifecycle costs and improve future maintenance to make best use of reducing resources while optimising the condition of our highway network. We also developed a **Kent Waste Disposal Strategy** which provides clear direction for our priorities set against financial, environmental and legal drivers, and was developed with engagement from stakeholders including the districts and a comprehensive public consultation.

#### **5. GET's role enabling KCC to be a Public Health Authority**

In addition to the Public Health Grant funded activities that Trading Standards delivers and the myriad of county and sub-county programmes that GET and Public Health proactively work together on to tackle health inequalities, progress in 2016-17 focused on the co-production and successful public consultation on a KCC Active Travel Strategy, the delivery of a Green Space and Health Needs Assessment covering the entire county, and joint work on developing a cross-authority Community Asset approach. Relationships are also being built with Public Health teams to explore ways in which cultural organisations can support commissioning managers to provide more creative solutions to the delivery of health outcomes relevant to Kent communities.

The Community Warden Service has been working closely with cross-directorate colleagues to provide case studies outlining the impact of Community Wardens on Adult Social Care and Public Health in order to demonstrate the value of extending the Community Warden Service to support the Adult Social Care Transformation Programme. The evidence was positively received and following the Programme's successful assessment phase, the Head of Community Safety is now working with the Programme's Design Team to look at the next steps of the strategy, specifically designing the role Community Wardens can play on the preventative, wellbeing side of the programme.

#### **6. Embed the Prevent Strategy within GET**

GET's divisions have been actively completing their Prevent training, including 15 GET officers who have undertaken Ideology training, which provided deeper understanding of the issues underpinning the need for Prevent. In addition to this, GET senior management has a standing member on the statutory Channel Panel. A good example of GET frontline services adopting Prevent is the LRA service, which introduced protocols as a result of the Prevent training, ran a safeguarding webinar for its frontline staff and produced a flowchart to guide staff in dealing with Prevent and safeguarding incidents. GET's Health & Safety Forum has also extended its remit to include safeguarding, and is commissioning training for Forum members to enable them to become safeguarding leads for their respective divisions.

## E. What's influencing GET's business?

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There are a number of external factors that will shape GET's operating environment and impact upon its business over the next three years, including:

### **Brexit**

- Challenges include the end of European Union funding; implications for environmental tariffs and subsidies; access to European markets and cross-border trade for waste disposal and recycling; potential changes to customs checks with implications for Heavy Goods Vehicle (HGV) volumes at the Port of Dover and the Channel Tunnel; and potential regulatory and legislative changes
- Opportunities include increased tourism both from EU visitors and 'staycations'; favourable exchange rate for visitors to the UK

### **Devolution**

- Opportunities and impact of devolution from central government, and also between upper tier authorities and district and parish councils
- An opportunity to strengthen our relationship with London particularly regarding the shadow South East Sub National Transport Body
- The forthcoming refresh of the South East Local Enterprise Partnership's (SELEP) Strategic Economic Plan and an opportunity for the Kent & Medway Economic Partnership to strengthen its role and to continue to articulate our priorities

### **Economic factors**

- Further reductions in public spending leading to reduced budgets will affect both revenue and capital will put additional pressure on delivering KCC's Medium Term Financial Plan (MTFP), thereby increasing pressure on the balance between statutory and discretionary funding and pressures on addressing the maintenance backlog. The effect on Kent's capital programme will necessitate the need for alternative funding sources.
- Significant pressure on price increases is anticipated which will put pressure on contracts especially those commissioned in the past year. Price increases will not only impact KCC, but will also affect residents who will experience pressures on income
- Opportunity to deliver key infrastructure projects due to recent Local Growth Fund 3 announcement
- Additional resource pressures needed to successfully participate in increasingly competitive bid tendering for national funding
- Opportunities from the work and conclusions of the Thames Estuary Commission
- Upcoming removal of the ring fence for the public health grant
- The impact of business rate rises on businesses but also KCC: success of business rate appeals could lead to variability and vulnerability of local government finances
- The Apprenticeship Levy will present opportunities for KCC, not just as an employer but also in supporting businesses to navigate the Levy and its funding opportunities
- Regulation of the energy market is being consulted upon next year – this may put a stop to smaller local providers accessing subsidies, thereby creating additional costs to the market and increasing prices.

### **Demographic pressures and social factors**

- The county's population is projected to grow by at least 293,000 by 2031; a 17% increase, while housing demand is also growing: 158,500 houses are planned; 21% growth by 2031
- Increase in demand for services such as Coroners and Registration as populations and housing developments increase. Waste tonnage is predicted to increase by 20% by 2031, from 726,000 to 869,800 tonnes.

- Rising numbers of mainstream school pupils needing transport and rising costs for SEN transport; increased demand and pressure on Young People's Travel Pass
- An aging population, with 18% of the population aged 70+ by 2031: increase in demand pressures on concessionary fares' usage and costs and demand for suitable housing
- Impact of increasing obesity and an increase in the proportion of the population who are physically inactive
- The need to build sufficient and appropriate infrastructure to support new developments
- The need to better understand communities and their changing expectations of how they want to access services, and to continually assess the cumulative impact of savings' proposals on communities. This is coupled with the need to continue to focus on community cohesion by understanding and addressing issues such as an increase in social tensions (caused by factors such as Brexit and the refugee crisis), excluded communities and those who are 'just about managing'.
- The need to continue to work with districts, parishes, partners and communities to consider ways to better deliver services
- Opportunities to address housing pressures through the Housing White Paper's intention to speed up housebuilding by encouraging SME builders, custom builders and offsite manufacture of pre-constructed houses.

### **Technology**

- Opportunity to exploit technology and innovation to transform our digital platforms to deliver GET services more effectively. However, the pace of digital development coupled with diminishing funding presents a risk of insufficient resources to invest in new technology so that services get left behind and become less relevant. There is also pressure to enable wider access to superfast broadband and fast mobile networks.
- The risk of digital exclusion where individuals do not have easy access or an inequality of access to digital technology
- Opportunities presented by 'smart city' and smart highways technology to improve and future proof infrastructure
- Cyber security and maintaining customer trust in our ability to handle their data securely if they use our digital services
- Easier access to services through platforms such as mobile technology may lead to increased demand for services, such as highway fault reporting

### **Upcoming or potential legislative, regulatory and policy changes**

- Government's Industrial Strategy green paper, which sets out priorities for key sectors, as well as measures such as the upcoming emissions reduction plan
- Requirement to respond to legislative changes brought in by 'Well Managed Highways', the code of practice for maintaining highways
- Potential opportunities through the Bus Services Bill, for example, franchising powers
- The creation of the shadow Sub National Transport Body ('Transport for the South East') will provide an opportunity for greater influence over strategic transport planning across the region
- The Housing White Paper has introduced measures that will affect Local Authorities regarding planning and development
- The potential legislative change that will require the mother named on birth certificates will require the Registration service to retrospectively amend all birth certificates held
- Outcomes from upcoming continental elections, e.g. in Germany and France, which may lead to a revision of the Treaty of Le Touquet and uncertainty over the future EU border
- Expected Government announcements, including the National Infrastructure Commission and Thames Estuary Commission
- A new statutory responsibility upon KCC to provide Medical Examiners from April 2018; as yet its funding stream is unknown and potentially an additional spending demand on KCC, and is likely to increase referrals to the Coroners Service

### **Environmental factors**

- An increase in severe weather events such as flood, drought, heat and wind will put an additional demand on GET services' responses to them, such as Highways, Waste and Community Wardens; severe weather will also put pressure on the balance between investment and maintenance
- Pressure on water, energy, land resources and green infrastructure caused by population increases and housing growth
- The county is seeing increasing freight volumes and this growth is set to continue: the port of Calais Boulogne forecasts that cross-Channel traffic will grow by 40% by 2030. The Department for Transport forecasts that Heavy Goods Vehicles (HGV) volumes will grow by 43% and Light Goods Vehicles by 88% by 2035. This would equate to 3.8 million HGVs using Dover – increased from the current 2.5 million HGVs per annum, putting additional pressure on Kent's roads and communities.
- Less investment in both the natural and physical environment will impact on quality of life, health and also be detrimental to the heritage sector and tourism
- The importance of air quality is rising on the political agenda, with much stronger evidence coming forward linking poor air quality to health outcomes. This requires us to strongly influence planning and design of new infrastructure and deliver further partnership action to reduce energy and fuel use, in particular from transport, where overall emissions levels are increasing nationally in comparison to other sectors.
- Acceleration of Ash Dieback will impact both Kent's environment and increase service pressures to manage/mitigate the problem
- Food security may be increasingly put at risk due to factors such as major events, for example bird flu, or increasing pressure on land resources for farming and agriculture
- Increasing demand for minerals and waste provision to accommodate predicted growth in the county

## F. Directorate Risks

There are a number of strategic or cross-cutting risks that potentially affect several functions across the Growth, Environment and Transport directorate. Corporate Directors also lead or coordinate mitigating actions in conjunction with other Directors across the organisation to manage a number of corporate risks, with all risks reviewed by the Directorate Management Team on a quarterly basis. Further details on these risks and their mitigations can be found in the corporate and directorate risk registers.

### Summary Risk Profile

Low = 1-6

Medium = 8-15

High =16-25

Risk Title	Current Risk Rating	Target Risk Rating
<b>Corporate level risks</b>		
Ability to access resources to aid economic growth and enabling infrastructure across the county	16	9
Civil contingencies and resilience - ensuring effective planning for, and the response to, incidents and emergencies	12	8
<b>Directorate level risks</b>		
Delivery of 2017-18 budget targets	12	6
Health & Safety considerations in the delivery of services, relating to KCC staff, contractors or the public	10	10
Partner organisations or commissioned providers not offering the required level of service to Kent residents	16	8
Ensuring the services across the directorate are resilient and respond effectively to severe weather incidents, minimising subsequent disruption to the people of Kent	12	6
Skills shortage and capacity issues to apply for funding and manage contracts and projects	9	6
Loss of, or disruption to, key ICT systems in the GET Directorate causing a detrimental effect to the services provided	12	9



## G. Directorate Priorities for 2017-18

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Building on the progress towards last year's priorities and taking into account the external factors influencing our operating environment as highlighted in Section E, we have identified a number of cross-cutting priorities that the directorate will focus on this year. As with last year, 'C3' - Customers, Commissioning and Communities - remains central to GET's activity; our approach to customer service coupled with commissioning equips us to build sustainable services for the future, meeting the needs of our communities.

### 1. Further develop and refine GET's approach to commissioning services

Our directorate has made solid progress in embedding good approaches to commissioning, procurement and contract management, and as this continues, we plan to focus particularly on key elements of commissioning such as defining outcomes and developing and managing service specifications. Within this priority, we also want to focus on Social Value, including developing our corporate parenting role by exploring ways in which we can engage and involve Looked After Children in GET's service design activity. We will also work with KCC's new Strategic Commissioner and their team to help strengthen the Council's commissioning function, and work with the Strategic and Corporate Services directorate to ensure we are mutually supporting each other and working in partnership regarding those contracts that have an impact on GET services, such as maintenance, asset utilisation, customer services, ICT and legal.

### 2. Deliver and embed our Customer Service Programme

The cross-directorate priority and commitment to customer service continues in 2017-18, by reviewing and learning from the progress made so far to help shape the next phase of activity. Digital transformation and inclusion is at the heart of our programme, improving the experience for customers and their ability to self-serve. Fundamental to this is understanding our customers' needs to determine the right offer and guard against a 'one size fits all' approach.

We will also continue to improve the consistency and quality of customer service across the diverse touch points GET provides, by building on our collaborative approach between GET staff, partners, providers and stakeholders. This will have a particular focus on:

- Developing an approach to more **integrated frontline service delivery** – working collaboratively with Adult Social Care to develop the Community Agent model, our Community Warden Service will explore and seek to improve the interface between frontline staff across different services to provide a more seamless approach to supporting our residents and communities
- For our business customers, ED and EPE will work together to develop a clearer and more integrated suite of services that businesses can access more easily
- Develop a single communications channel for engaging developers and districts on strategic planning and infrastructure

### 3. Explore and develop multi-agency approaches to improve delivery of GET's services

As the devolution agenda continues to take shape across the country, we want to embrace and explore further opportunities to ensure Kent benefits from this multi-agency working. In doing so, we will be building on the success of multi-agency working already in place with the integrated Community Safety Team and the Kent Resilience Team, and we will consider appropriate options for our services, for example, exploring the potential for co-delivery of library services, where local opportunities exist. We will also work with our colleagues and partners to implement the West Kent model at pace, and work with other clusters as appropriate.

#### **4. Develop and deliver GET's county-wide strategies**

We will deliver the county-wide strategies and frameworks we developed in 2016-17. We will refresh the Kent and Medway Growth and Infrastructure Framework (GIF) so that it continues to offer a refined and flexible tool for providing valuable information to enable us to plan and fund the county's infrastructure needs and put us on the front foot for the increasingly competitive bidding processes for national funding. This GIF refresh will include a specific piece of work to forecast the commercial space requirements of existing businesses in Kent as well as businesses that will be operating in the sectors of the future in Kent; against this requirement we will assess the current and forecast supply of such commercial space and land, and identify opportunities for investment whether by public or private sector.

We will produce an Enterprise and Productivity strategy which will include a focus on sectors including rural, skills, business support and commercial land and buildings. We will also ensure that the SELEP Strategic Economic Plan reflects the needs and priorities of Kent and Medway.

We will also begin to implement the Kent Environment Strategy's action plan, publish the Local Transport Plan 4 and prepare an implementation plan for the Kent Waste Disposal Strategy. In terms of work on new strategies, we will be developing the Highways Asset Management Strategy, the Cultural Strategy and a new vision for Libraries, Registration and Archives.

#### **5. Develop GET's offer of a preventative model to supporting the health and wellbeing of Kent's residents and related outcomes across KCC and our partners**

Building on our work with Public Health, we will promote and develop the potential for GET's services to provide a preventative approach to health and wellbeing. From our parks, Public Rights of Way and our physical activity offer through to the work we do to support employment and activities offered by our libraries such as the outreach service, books on prescription and reminiscence sessions for dementia sufferers, GET provides a range of services that fundamentally support the ability of residents to sustain physical and mental health and wellbeing, as well as independence for older and vulnerable residents. This, in turn, can help other KCC services and partners to deliver their outcomes and prevent extra demand on the health and social care sector.

Supporting this, we will work to articulate our offer to KCC services and start to develop the concept of an 'internal market' through which GET services can be commissioned by other parts of the Council. Through doing this, we will articulate GET's value in supporting broader KCC objectives through social value.

#### **6. Strengthen the County's resilience**

We will enhance KCC's preparedness and capacity for responding to emergency situations, particularly in relation to new threats such as a potential move to 'critical' threat level. At the heart of our own resource, we will be rolling out the restructure of emergency planning, including plans to bring the Council's resource in the Kent Resilience Team more closely together with the Council's own Resilience and Emergencies Unit. We will also be putting in place an on-call tactical officer rota and refreshing our emergency reservist system. Building on the work of 2016-17, we will also continue our work to embed the Prevent Strategy and safeguarding within GET. Finally, we will continue to work with partners through the multi-agency Kent Resilience Forum to promote community resilience, empowering them to prepare for and respond to emergencies more effectively.

**7. Plan and deliver appropriate growth in the County and in doing so, explore and utilise smart technology to support delivery of better outcomes**

We will continue to work to provide the environment in which the right kind of growth can take place in Kent, developing a 'smart place-shaping' approach to our activities to support growth. Using the GIF, **KCC will take a leading role in Kent and more widely to understand and promote quality future-proofed infrastructure**. We will proactively engage with opportunities nationally to change policy and promote new ways of working, whether that is with the National Infrastructure Commission, the Housing Finance Institute (with which we are working to pilot new approaches to infrastructure) or Government to promote fresh thinking and policy change where needed.

In addition, we will continue to use our strategic frameworks and expertise to **develop and promote investment in infrastructure to support quality place-making**, working closely with districts, developers and wider stakeholders to maximise the value of investments into new places. We will build on the work of 2016-17 to establish a Utilities Engagement sub-Committee, which will enable us to engage with water, electric, gas and telecoms infrastructure providers as we see to unlock and accelerate sustainable growth. Furthermore, as local plans and individual large site applications come forward, we will work hard to ensure that appropriate levels of funding are identified and provided for core services such as highways, transport and education.

**Good quality, sustainable design** is an inherent part of this approach to secure low carbon developments, which reduce reliance on fossil fuels and take advantage of emerging and renewable technologies. This will create healthier and more resilient communities. As part of good quality design, we will also look to facilitate the role of culture in place-shaping, particularly within the built environment.

Our **support for businesses** also plays a key role in delivering appropriate growth, and we will build on our work which includes helping companies to build their business through our recycled loan scheme, attracting inward investment into the county and facilitating exporting opportunities for local businesses.

As part of this priority, we will also **explore both smart technology and smart ways of working** to support appropriate growth and delivery of better outcomes. In doing so, we will explore how we can best futureproof our services, utilising new technologies and learning from the 'smart cities' approach to improving infrastructure and quality of life. We will also investigate technology that allow customers to access services at times that fit around the busy lives they lead, for example emerging technology that enables customers to access services in our libraries outside of opening hours.

## **Continuing to support KCC's Strategic Statement**

GET continues to work towards delivering KCC's strategic outcomes, as set out in the [Strategic Statement](#) (see Appendix 2), and in supporting this, we will particularly focus on contributing to the Council's priorities below, as identified in the first Annual Report of progress against the Strategic Statement:

- Agree our Local Transport Plan 4: Delivering Growth without Gridlock for 2016-2031 and develop an effective delivery plan
- Tackle obesity, particularly in Kent's deprived areas, through engagement in sport and physical activity
- Make it easier for vulnerable and older individuals, their families and carers to access advice, information and support
- Continue to increase the number of apprenticeships for young people
- Improve customer engagement activity, including consultations, surveys and focus groups, so that learning can enhance customer insight and service delivery across the authority
- Collectively work with all partners to improve openness and share information to support successful delivery of our outcomes
- Improve the effectiveness of our contract performance monitoring and work with providers to develop a more open dialogue to tackle issues early

The full list of Council priorities can be found in Appendix 3 and in KCC's [Annual Report](#).

## **Embedding Equalities in everything we do**

GET has made great strides in its work to improve and embed consideration of equalities and diversity into its commissioning, service planning and delivery, and is an integral strand of our Customer Service Programme, supported by a committed directorate Equalities Group. As part of this activity, the directorate will work toward the following equalities objectives, as set out in KCC's [Equality and Human Rights Policy 2016-20](#).

- Protected characteristics will be considered within all highways and transport schemes identified within Local Transport Plan 4, as well as the schemes' potential to advance equality of opportunity
- The protected characteristics of all members of a community will be considered when investing in road, facilities and utilities that are identified through the Growth and Infrastructure Framework and delivered to meet the needs of Kent's population changes
- Irrespective of Age, Disability, Race or Religion and Belief, Kent residents should be able to access our county's high quality landscapes and environment
- The Libraries, Registration and Archives service in Kent will continue to understand its local communities' needs and tailor its services accordingly
- The Equality Duty will inform all services' efforts to maximise businesses' potential

Information on actions that each division will take to support these priorities can be found in the divisional business plans.

## H. Significant Commissioning and Service Activity

The table below summarises the Directorate's expected major commissioning activity over the next three years. Further information on specific contracts can be found in KCC's [contract register](#).

Name	Brief description of activity (inc. partners if co-commissioning)	Lead service	Expected Value (£)	Date for Key Decision (if required)	Is public consultation required? Y/N
<b>Economic Development</b>					
Inward Investment service	Delivery of inward investment services in Kent and Medway	Locate in Kent	£3.3 million	N/A	N
Kent & Medway Growth Hub (funding for 2 years from November 2016)	Service to signpost business support services in Kent and Medway	Kent Invicta Chamber of Commerce	£500,000	N/A	N
Visitor Economy contract extension	Delivery of visitor economy services in Kent	Visit Kent	£280,000	January 2017	N
No Use Empty Specialist Advice – rolling contract	Advisor for loan scheme to owners of empty properties to bring them back in to occupied use	Connect2Kent	£99,000	N/A	N
Appraisal of applications financial schemes RGF Recycled and Innovation Investment Funds	Loan programme to Kent Businesses to support business and jobs growth	Kreston Reeves	tbc, dependent on application volumes (up to £50K)	N/A	N
No Use Empty PR – rolling contract	Marketing of loan scheme to owners of empty properties to bring them back in to occupied use	FTI Consulting	£20,500	N/A	N
South East Business Boost	Business support and grant funding to micro businesses in Kent and Medway	Business & Enterprise	£1.1 million	N/A	N
<b>Environment, Planning and Enforcement</b>					
Thanet Parkway Railway Station	<ul style="list-style-type: none"> <li>- Delivery of railway station</li> <li>- Commissioned GEN2 for project management</li> </ul>	Strategic Planning & Policy (SPP)	Overall: £24.1m GEN2: £98k	Q1 17/18	Y (scheduled Q4 16/17)

Name	Brief description of activity (inc. partners if co-commissioning)	Lead service	Expected Value (£)	Date for Key Decision (if required)	Is public consultation required? Y/N
Darent Valley Landscape Partnership Scheme	Delivery of first year of a 5 year externally funded (principally HLF and Interreg) scheme to conserve, enhance, celebrate and manage access to the Darent Valley from Westerham to Dartford. Total value in region of £3.6m over 5 years	KDAONB	£3.6 million	N/A	Completed
Kent Environment Strategy: LOCASE	Successful tenders from Giraffe Innovation Ltd (Lot 1), Kent Invicta CoC (Lots 2&3) for field-based support	Sustainable Business & Communities (SBC)	£156,000 (combined value of 3x£52K lots)	Q3 16/17 (Awarded Nov 2016)	N
Adoption of the new Local Transport Plan 4 (LTP4): Delivering Growth without Gridlock (2016-31)	Complete the commission with Amey on the Strategic Environmental Assessment (SEA) once LTP4 is finalised.	SPP	£40,000	Q1/2 17/18	Completed
Steps to Environmental Management (STEM) Workshop Delivery Provision	Commissioning of Steps to Environmental Management (STEM) Framework Providers to achieve successful delivery of LOCASE	SBC	£38,000	Q4 16/17 (Feb 2017)	N
Establishing Explore Kent as a fully commissioned service	Explore Kent has moved from being an Interreg funded service to a commissioned service since October 2014	Countryside, Leisure & Sport (CLS)	Multiple commissions - none larger than £25,000	N/A	N
Mortuary contracts – Kent Coroner Service	Retendering of mortuary contracts 1/4/18	Public Protection (PP)	£1.15 million	Q4 17/18	N
Kent Fair Trader Scheme	Commission delivery of a scheme to protect consumers and help legitimate businesses grow	PP	£90,000	N/A	N
Kent Environment Strategy: Kent Warm Homes	Commissioning of retrofitting expertise and installers through the Kent and Medway Sustainable Energy Partnership for delivery of the Warm Homes programme	SBC	£15 million	Q3 17/18	N

Name	Brief description of activity (inc. partners if co-commissioning)	Lead service	Expected Value (£)	Date for Key Decision (if required)	Is public consultation required? Y/N
Triple A	Project to encourage Kent & Medway residents to install low carbon technologies in their homes; test new technologies, consultancy & advice, develop sustainable & affordable financial models for installation	SBC	€140,000+	N	N
Inn2POWER	Project to improve innovation capacity and access to off-shore wind sector for SMEs	SBC	€126,000	N	N
FRAMES Health and Social Care Evidence Report	Project to prepare for severe weather in health & social care sector	SBC/Health & Social Care	€91,500	N	N
<b>Highways, Transportation and Waste<sup>1</sup></b>					
Soft Landscaping contracts	Urban Grass, Hedges and shrubs Dartford, Maidstone, Canterbury and Thanet	Highways Asset Management	£3 million	Q1 18/19	N
A28 Chart Road, Ashford	Dualling between Tank and Matalan roundabouts including new bridge over the railway	Transportation	£20 million	Q2 17/18	N
Sturry Link Road	New link road avoid bottleneck at Sturry Crossing to reduce congestion and support housing growth	Transportation	£20 million	Q3 18/19	Y
Thames Way dualling * (subject to future developer funding)	Highway Improvement	Transportation	£20 million	Q4 19/20	Y
Dartford Town Centre Improvements (SLGF3)	Junction/highway improvements	Transportation	£12 million	Q3 17/18	N
St Clements Way, Greenhithe	Junction Improvement	Transportation	£6 million	Q3 17/18	N

<sup>1</sup> Where contract values are shown as per annum, these are activity-based contracts and spending may be lower or higher depending on need

Name	Brief description of activity (inc. partners if co-commissioning)	Lead service	Expected Value (£)	Date for Key Decision (if required)	Is public consultation required? Y/N
Maidstone Integrated Transport	Junction/highway improvements	Transportation	£6 million	Q3 17/18	N
A2 Wincheap, Canterbury (LGF)	New slip road	Transportation	£4 million	Q3 18/19	Y
Arboriculture Works Term Contract	Tree works	Transportation	£3 million	Q1 17/18	N
Faversham Swing Bridge	New bridge	ED/Transportation	£1.3 million tbc	Q2 17/18	Y
A2500 Lower Road (LGF)	Junction/highway improvements	Transportation	£1.8 million	Q4 17/18	N
Soft Landscaping contracts	Urban Grass, Hedges and Shrubs (Sevenoaks, Tonbridge & Malling, Tunbridge Wells)	Highways Asset Management	£910,000	Q1 18/19	N
Coring & Materials Testing Contract	Coring and material testing of materials in the highway	Highways Asset Management	£800,000	Q4 16/17	N
Rural Swathe Cutting and Visibility Splays: 2015 Contract	Rural grass cutting and visibility splays	Highways Asset Management	£561,000	Q4 16/17	N
Weed Control	Weed killing	Highways Asset Management	£200,000	Q2 17/18	N
Highway Term Maintenance	Routine pothole repairs, winter gritting, gully cleaning, streetlight maintenance, surface dressing etc across Kent. Ends Aug'18 with extension	Highways Asset Management	£35m to £40m per annum	Q2 17/18	N
Technical and Environmental Services	Specialist consultancy services such as highway design, surveys, investigations and transportation modelling	Transportation	£4m to £5m per annum	Q1 17/18	N
Road Resurfacing Ends	A contract to deliver larger road reconstruction and resurfacing schemes	Highways Asset Management	£4 million per annum	Q4 17/18	N
Surface Treatments; linked to TMC review	Surface dressing, micro-surfacing and slurry seal	Highways Asset Management	Possible £4m per annum	Q2 17/18	N



Name	Brief description of activity (inc. partners if co-commissioning)	Lead service	Expected Value (£)	Date for Key Decision (if required)	Is public consultation required? Y/N
Management of 12 Household Waste Recycling Centres and 3 Transfer Stations (TS) Lots 2 and 3	The management and running of New Romney, Ashford, Church Marshes, Sheerness & Faversham HWRCs & TS and Folkestone, Dover, Deal Richborough, Margate, Herne Bay, Canterbury HWRCs & TS	Waste & Business Services	£2.3m and £2.9m per annum	Q2 19/20	N
North Farm and Dunbrik Household Waste and Transfer Stations	The management and running of North Farm and Dunbrik HWRCs and Transfer Stations	Waste & Business Services	£2.3 million per annum	Q4 18/19	N
Dry Recyclate Processing Lots 1 and 2	Dry recyclate and co-mingled glass processing from Ashford, Allington and Sittingbourne and North Farm, Dunbrik and Pepperhill	Waste & Business Services	£1.32m and £356k per annum	Q3 19/20	N
Dartford Heath, Swanley and Tovil Household Waste and Recycling Centre and Transfer Station	(Lot P1) The management and running of Dartford Heath, Swanley and Tovil HWRCs	Waste & Business Services	£1 million per annum	Q1 18/19	N
Processing and Recycling of Wood Waste	Recycling of wood waste	Waste & Business Services	£775,000 per annum	Q3 19/20	N
Provision of Organic Waste processing for KCC Lots 4 and 5 for Mid and West Kent	Waste processing of organic waste collected from kerbside	Waste & Business Services	£620,000 and £341,000 per annum	Q3 19/20	N
Reception Bulking & Transport of Residual Waste Thanet Area to Allington Waste to Energy Facility or other nominated facilities Lot 2	Haulage of waste from Thanet to Allington Waste to Energy plant	Waste & Business Services	£471,000 per annum	Q1 17/18 for extension to Nov 2019	N
Provision of Organic Waste processing for KCC Lot 3 East Kent at Ridham Docks	Waste processing of organic waste collected from kerbside	Waste & Business Services	£440,000 per annum	Q3 19/20	N
Reception Bulking & Transport of Residual Waste Canterbury	Haulage of waste from Canterbury to Allington Waste to Energy plant	Waste & Business Services	£413,000 per annum	Q1 17/18 for extension to	N

Name	Brief description of activity (inc. partners if co-commissioning)	Lead service	Expected Value (£)	Date for Key Decision (if required)	Is public consultation required? Y/N
Area to Allington Waste to Energy Facility or other nominated facilities Lot 1				Nov 2019	
Highway Condition Survey	Provision of specialist survey and data interpretation services to determine condition of highway	Highways Asset Management	£400,000 per annum	Q2 17/18	N
Customer enquiry, job and asset management software	Computer software that facilitates customer enquiries, allows the placing of orders and contains highway asset information	Waste & Business Services	£200,000 per annum	Q1 17/18	N
West Kent HWRC Textiles and Shoes Collection and Processing	Collection and processing of Textiles from Dartford Heath, Swanley, Tovil, Pepperhill, Dunbrik & North Farm HWRCs	Waste & Business Services	£185,000 per annum	Q4 16/17	N
Collection and/or Processing & Disposal of Clinical waste 2016-2018	Collection and Disposal of Clinical waste in Kent	Waste & Business Services	£131,000 per annum	Q2 18/19	N
SEN Home to School Transport	Arrangement of transport services on behalf of EYP to enable students to access their learning provision. We currently transport approximately 4000 SEN clients around Kent consisting of more than 1200 different contracts	Public Transport	Various	Various	N
Mainstream Home to School Transport	Arrangement of transport for mainstream students on behalf of EYP, enabling access to their learning provision. We currently transport in excess of 9000 students travelling on various public networks and on over 400 hired contracts	Public Transport	Various	Various	N

Libraries, Registration & Archives					
Tunbridge Wells cultural hub	A major project to incorporate the library, adult education, museum, tourist information centre etc into one public hub	Tunbridge Wells District Council	£12.3 million	tba	Y
Southborough Community hub	Re-location of Southborough Library to a brand new community hub that will be built including a GP surgery, café, Southborough Town council office and a theatre/hall	Southborough Town Council & Tunbridge Wells Borough Council	£1.54 million	tba	Completed
Meopham library	Relocation of public library to new building on school site due to school redevelopment	LRA	tbc	n/a	N (but customers will be informed and involved in design)
Self-Service +	A pilot to extend library opening hours without incurring additional staff costs using innovative technology	LRA	£143,000 project costs	n/a	Y
Registration Management System	Working with Corporate Services regarding the Agilisys/Zipporah offer	LRA	£200,000 per annum	n/a	N
CALM	Archives Management System	LRA	£15,000	n/a	N
Spydus	Library Management System	LRA	£1.2 million	February 2017	N
Modern Records	External storage for KCC's modern records	LRA/Information , Resilience & Transparency (KCC)	£2.1 million (subject to tender)	March 2017	N

## I. Directorate Resources

### Our Financial Resources for 2017-18

The total net 2017-18 revenue budget for GET is £161.8million

Division	Staffing	Non Staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Strategic Management & Directorate Budgets	124.4	470.3	594.7	0.0	-68.0	0.0	526.7
Economic Development	3,022.8	4,199.2	7,222.0	-48.6	-1,996.7	-828.7	4,348.0
Highways, Transportation & Waste	17,524.7	134,197.5	151,722.2	-545.0	-17,314.2	-1,195.2	132,667.8
Environment, Planning & Enforcement	14,788.3	9,691.2	24,479.5	-848.0	-7,210.3	-1,934.5	14,486.7
Libraries, Registration & Archives	11,328.1	4,750.0	16,078.1	-463.7	-5,836.3	0.0	9,778.1
<b>DIRECTORATE TOTAL</b>	<b>46,788.3</b>	<b>153,308.2</b>	<b>200,096.5</b>	<b>-1,905.3</b>	<b>-32,425.5</b>	<b>-3,958.4</b>	<b>161,807.3</b>
<b>CAPITAL 2017-18</b>	£103.6m (part of £742.6m three year programme to 2019-20)						

*NB. Figures are based on the draft Budget Book (January 2017), and will be updated to reflect the final Budget Book, March 2017.*

### Meeting the Financial Challenge

The net budget of **£161.8million** is reduction of £1.98million from the previous year and is a culmination of anticipated additional spending pressures upon GET's services balanced against savings and income opportunities. As identified in Section D, there are a number of pressures upon GET services, which amount to **an additional spending requirement of £5.5million** for 2017-18. This includes rising costs due to demography, anticipated price and inflationary increases on contracts, and new or additional legislative duties.

In response to these pressures and also to contribute towards the KCC savings requirements following a reduction in government funding, GET has identified **£7.5million of savings and income** for 2017-8, which will cover a range of actions such as reviews of contracts, marketing and staff, multi-agency working with partners and efficiencies through re-designing and commissioning services.

In order to meet the challenges of increased spending pressures and required savings, GET has been working hard to deliver efficiencies and to drive better value out of our contracts. We are also becoming increasingly successful at attracting external funding and investment and increasingly commercially minded in developing new income streams in order to meet the ever-present challenge of diminishing budgets. For instance, over the past eight years Country Parks have reduced their core budget by 58% primarily due to an increase in income and are now 74% self-funded. In other parts of the business, we are looking to transform how we deliver our services and work collaboratively with other KCC services to deliver more than one outcome at a time and thereby create better value for the taxpayer. Therefore the imperative to manage increasing spending and demand pressures, coupled with achieving the required savings and income informs and underpins our directorate's priorities as described in Section F.

## Our Staff Resource for 2017-18

Our workforce comprises highly skilled teams across a diverse range of specialisms working in an increasingly challenging climate. The number of staff in GET has slowly decreased to the current level of 1,265.7 FTE. As a result, our staff have to manage growing demands with reduced resources, and increasingly think creatively to deliver our outcomes with less core budget.

Over the year ahead, GET will focus on making that staff resource as effective as possible, evolving over the short to medium term to respond to the need for a more flexible and commercial approach to the way we deliver our services. To this end, our Organisational Development priorities are outlined in the following section.

Division	FTE <sup>2</sup>	Headcount <sup>3</sup>
Economic Development	46.4	50
Environment, Planning & Enforcement	382.9	480
Growth, Environment & Transport	6.0	6
Highways, Transportation & Waste	408.5	626
Libraries, Registration & Archives	420.8	845
<b>Total</b>	<b>1,264.6</b>	<b>2,007</b>

GET By Grade Band <sup>4</sup>	FTE	%
KR6 & below	581.5	46.0%
KR7-9	416.6	32.9%
KR10-13	247.5	19.6%
KR14-15	12	0.9%
KR16+	7	0.6%
<b>Total</b>	<b>1264.6</b>	<b>100%</b>

*NB. The draft staffing numbers are as at December 2016 and will be updated with February 2017 figures at the end of March, prior to publication of final business plan.*

<sup>2</sup> The draft FTE numbers reflect actual numbers in post and exclude agency staff and vacancies, as these are not recorded in the HR system.

<sup>3</sup> The Headcount includes casual relief and sessional staff, and if a member of staff works in more than one division they will be counted in each.

<sup>4</sup> Staff paid on Non KR Grades have been grouped according to full time salary.

## J. Directorate Organisational Development Priorities

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Our Organisational Development priorities are ambitious and will be delivered over a three year programme until 2019/20. For 2017-18, an action plan will be developed to identify specific, measurable outcomes for the year which will be monitored and reported on to DMT throughout the year. Our five priorities are:

- **A workforce strategy for the future** – Recognising that our talent is our greatest asset and resource, we will look to the future and identify the workforce we need in five years' time, and ensure that our Organisational Development (OD) programme supports delivering the skills and talent that our future workforce requires. The resulting GET Workforce Strategy will provide a vision and objectives that challenge the Directorate to step up in delivering a more effective workforce for meeting the challenges we face in the future. This strategy will include emerging work on the benefit of emotional intelligence to the workforce, and also pick up on the specific skills gaps that we have identified around project management, commissioning, demand management, commercial acumen and new approaches to asset management.
- **Empowering leadership across GET** - It is recognised that there is strong management talent and potential across GET, but that increasingly we need to empower a wider range of staff to be leaders in their own right. As such, GET's OD group will work with DMT to commission appropriate solutions to support effective leadership across GET - not just at DMT level but across senior management teams and throughout. Building on this, we will work with the Corporate OD team on the development of KCC's Leadership and Management Strategy.
- **Effective recruitment and retention of talent** – GET will build on the success of 2016-17 in getting workforce development plans in place across the Directorate by developing specific tools with which to recruit and retain talent. We will be using our recent Employee Value Proposition Survey results to help inform our understanding of the 'offer' we have for our employees and how we need to develop this to effectively retain talent and manage performance. In doing so, GET will develop a coherent offer for recruitment of new talent - from the delivery of a range of new apprenticeship opportunities, to building on the success of the Directorate's cross-division graduate planning officer programme.
- **Building two way accountabilities** – Building on the work of the GET OD Group in 2016-17 to clarify what is expected of our staff and what they can expect of their managers, the Group will be looking at how to enable managers and their line reports to take more effective responsibility for their accountabilities.
- **Effective OD communications** - Whilst there has been progress over the past year in defining the most critical OD issues and opportunities for GET in progressing its priorities, it is clear that one of the biggest barriers in overcoming the issues is effective communications - whether that is about our priorities, tools or new ways of working. The GET OD group will work with DMT on a communications plan for OD which will use the OD group members as ambassadors within the Divisions but also deliver effective channels and messages for progressing KCC's and GET's OD priorities.

Our focus on these priorities will contribute to KCC's corporate vision for OD, which is detailed in the Organisational Development Medium-Term Plan 2017-22. In summary, KCC's OD priorities are:

- |  |   |
|--|---|
| ▫ Apprenticeships for all                            | ▫ Partnership working and integration                           |
| ▫ Leadership and management capabilities and culture | ▫ Sustains transformation and new operating model               |
| ▫ Staff engagement for resilience                    | ▫ Workforce planning, succession planning and talent management |
| ▫ Digitally enabled workforce                        | ▫ Workforce development   |

## K. 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 2017-18 for the Growth, Environment & Transport Directorate are outlined below.

### Performance Indicators relating to Customer Service

All of the following Indicators relate to our Customer Service Priority 2, details of which are on page 15.

Ref	Indicator Description	2016/17 Target	2016/17 Actual <sup>5</sup>	2017/18 Floor <sup>6</sup>	2017/18 Target
HT02	Routine faults/enquiries reported by the public completed in 28 calendar days	90%	89%	80%	90%
HT04	Customer satisfaction with routine Highways service delivery (100 Call back survey)	75%	91%	60%	75%
HT08	Customer satisfaction with completed local 'schemes'	75%	81%	60%	75%
WM04	Customer satisfaction with Household Waste Recycling Centre Services (on-line and face to face)	96%	98%	85%	96%
LRA06	Customer satisfaction with Birth and Death Registration	95%	96%	90%	95%
LRA07	Customer satisfaction with Ceremonies	95%	97%	90%	95%
LRA12	Customer satisfaction with Libraries	95%	96%	90%	95%
LRA13	Customer satisfaction with Archives	90%	tbc	82%	90%
LRA14	Customer satisfaction with Citizenship Ceremonies <i>NEW</i>	95%	98%	90%	95%
EPE16	Median number of days to resolve priority Public Right of Way faults (Rolling 12 months)	25	21	35	25
EPE17	Customer satisfaction with planning application service <i>NEW</i>	-	-	50%	60%

<sup>5</sup> Estimate based on trend or latest result

<sup>6</sup> 'Floor standard' is the minimum level of acceptable performance

Ref	Indicator Description	2016/17 Target	2016/17 Actual <sup>5</sup>	2017/18 Floor <sup>6</sup>	2017/18 Target
DT01	Report a Highways fault online	40%	34%	25%	40%
DT02	Apply for a Young Person's Travel Pass online	70%	73%	60%	75%
DT03	Apply for a Concessionary Bus Pass online	10%	12%	5%	15%
DT04	Book a Speed Awareness Course online	75%	79%	65%	75%
DT05	Apply for a HWRC recycling voucher online	90%	96%	80%	90%
DT06	Highways Licence applications online	60%	56%	50%	60%
DT07	Blue Badge applications successfully completed online	30%	38%	35%	40%
DT11	Number of automated book renewals (online, self-service, automated phone)	75%	72%	71%	75%
DT12	Birth Registration appointment booked online	75%	70%	69%	75%
DT14	PROW faults reported by the public online	65%	62%	56%	66%

## Activity Indicators relating to Customer Service

All of the following Indicators relate to our Customer Service Priority 2, details of which are on page 15.

Ref	Indicator Description	Threshold	Q1	Q2	Q3	Q4	2017/18 Expected
HT05	Total number of contacts received from the public for HTW services	Upper	65,000	65,000	65,000	65,000	240,000
		Lower	55,000	55,000	55,000	55,000	
HT06	Number of enquiries raised for action by HTW	Upper	28,000	28,000	28,000	33,000	107,000
		Lower	23,000	23,000	23,000	28,000	
HT07a	Work in Progress at any point in time (open routine enquiries) for Highways & Transport services	Upper	2,000	2,000	2,200	2,900	N/a
		Lower	1,500	1,500	1,700	2,400	
HT07b	Work in Progress at any point in time (non-routine enquiries) for Highways & Transport services	Upper	4,900	4,900	4,700	5,500	N/a
		Lower	3,900	3,900	3,700	4,500	

<sup>5</sup> Estimate based on trend or latest result

<sup>6</sup> 'Floor standard' is the minimum level of acceptable performance



## Performance Indicators Relating to Business Activity

Where applicable, we have indicated where the Performance Indicators relate to our directorate priorities for 17-18, which are set out on pages 15 to 17; all other indicators relate to 'business as usual' (BAU).

KPI Ref	Priority Ref	Indicator Description	2016/17 Target	2016/17 Actual	2017/18 Floor	2017/18 Target
HT01	BAU	Potholes repaired in 28 calendar days	90%	96%	80%	90%
HT03	BAU	Street lights repaired in 28 calendar days	90%	87%	80%	90%
HT11	BAU	Number of actual LED streetlight conversions against programme conversions (cumulative; completion by March 2019)	71,500	81,000	90,500	100,000
ED04a	BAU	<b>Jobs:</b> Jobs created/safeguarded through RGF jobs committed numbers	1,208	903	683	757
ED04b	BAU	<b>Jobs:</b> Jobs created through inward investment services contract <i>NEW</i>	-	-	600	1,600
ED05	4,7	<b>Homes:</b> units brought back to market (through No Use Empty)	400	420	350	400
ED07	BAU	<b>Investment:</b> External investment secured (overall target £70m from 2014-2020)	£6.5m	£14.8m	£8.5m	£10.5m
ED08	7	Infrastructure: developer contributions secured against total contributions sought	85%	98%	80%	90%
ED09	7	Successful projects achieved through inward investment services contract <i>NEW</i>	-	-	15	40
ED10	7	Businesses assisted via Kent and Medway Growth Hub contract <i>NEW</i>	-	-	2,000	4,000
ED11	7	Businesses assisted through intensive support provided via Growth Hub contract <i>NEW</i>	-	-	200	400
EPE02	BAU	Value of Criminal Activity investigated by Trading Standards <i>Revised</i>	-	-	£225k	£250k
EPE03	BAU	Value of items prevented from entering or removed from the market by Trading Standards <i>Revised</i>	-	-	£180k	£200k
EPE04	BAU	Total number of businesses supported (Trading Standards & Sustainable Business Team) <i>Revised</i>	-	-	315	350

KPI Ref	Priority Ref	Indicator Description	2016/17 Target	2016/17 Actual	2017/18 Floor	2017/18 Target
EPE14	4	Total Greenhouse Gas emissions from KCC estate (excluding schools) in tonnes	41,900	43,900	41,900	38,800
EPE15	BAU	Income generated by EPE services (charged services) – <i>this data is also captured within the wider ED07 indicator</i>	£4.52m	£3.98m	tbc	tbc
EPE18	BAU	Investment secured by EPE services (Grants/EU funding) <b>NEW</b>	-	-	£820k	£750k
EPE19	BAU	Number of volunteer hours contributing to delivery of EPE services <b>NEW</b>	-	-	26,400	29,340
EPE20	7	Percentage of planning applications which meet DCLG standards and requirements <b>NEW</b>	-	-	80%	100%
EPE21a	7	Percentage of planning decisions challenged <b>NEW</b>	-	-	20%	10%
EPE21b	7	Percentage of planning decisions appeals that KCC has won <b>NEW</b>	-	-	80%	90%
EPE22	BAU	Percentage of adults aged 16+ who are physically active weekly (multi-agency) <b>NEW</b>	-	tbc	tbc	tbc
LRA14	5	Number of customers using outreach services (Home Library Service, Touch a New World)	1,600	1,460	1,450	1,500
LRA15	BAU	Total number of customers attending events in Libraries and Archives – 000s	210	203	200	210
LRA16	BAU	Number of archival documents utilised by the public - physical and digital	42,500	27,500	27,500	35,000
LRA17	BAU	Number of volunteer hours adding extra value to the LRA service <b>NEW</b>	-	44,000	43,500	45,000

KPI Ref	Priority Ref	Indicator Description	Floor	Target			
				Q1	Q2	Q3	Q4
WM01	BAU	All municipal waste (HWRC & District collections) recycled and composted	5% Under Target	50.6%	47.7%	45.2%	42.9%
WM02	BAU	All municipal waste (HWRC & District collections) converted to energy		44.4%	47.0%	49.4%	51.5%
WM03	BAU	Percentage of waste recycled and composted at Household Waste Recycling Centres	2% Under Target	72.6%	71.3%	67.6%	63.3%

## Activity Indicators Relating to Business Activity

All of the following indicators relate to 'business as usual' activity.

Ref	Indicator Description	Threshold	Q1	Q2	Q3	Q4	2017/18 Expected
WM05	Tonnage collected by districts (rolling 12 months) (WM05)	Upper	560,000				550,000
		Lower	540,000				
WM06	Tonnage managed through HWRC (rolling 12 months) (WM06)	Upper	190,000				180,000
		Lower	180,000				
WM05 + WM06	Total Waste Tonnage	Upper	750,000				730,000
		Lower	710,000				
LRA01	Number of visits to static buildings (excluding mobiles due to current redesign of service) - 000s	Upper	1,270	1,380	1,210	1,210	4,850
		Lower	1,160	1,270	1,100	1,100	
LRA02	Number of books issued (includes eBooks and audio books) - 000s	Upper	1,155	1,310	1,120	1,100	4,485
		Lower	1,055	1,210	1,020	1,000	
LRA04	Number of digital contacts to Libraries, Registration and Archives (000s)	Upper	350	340	340	350	1,320
		Lower	320	310	310	320	
LRA05	Number of ceremonies conducted by KCC officers, including Bexley	Upper	1,900	2,800	1,300	800	6,500
		Lower	1,700	2,600	1,100	600	

## L. Monitoring and Review

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The GET directorate has the following processes in place to monitor work towards achieving its business plan priorities and targets:

1. GET's Directorate Management Team (DMT), consisting of the Corporate Director and Directors undertakes regular/quarterly monitoring of progress against the business plan priorities and quarterly reviews of the risks through the Risk Register and Performance Indicators through the Performance Dashboard. It also regularly considers updates on delivery of the Medium Term Financial Plan (MTFP) and reviews the budgets monthly.
2. GET's Portfolio Board monitors progress for all major transformation and commissioning activity on a monthly basis.
3. GET's Divisions regularly monitor progress against their divisional business plans through their Divisional Management Teams (DivMTs).
4. Key projects, contracts and commissioning activity receive oversight from the Environment and Transport Cabinet Committee and Growth, Economic Development and Communities Cabinet Committee.
5. The Infrastructure Funding Group (IFG) receives regular updates on the progress of major sites, developer contributions and Local Plans.

## M. Appendices

### Appendix 1 - Who delivers our services?

The following services are internally delivered in GET

Economic Development	Highways, Transportation and Waste	Libraries, Registration and Archives
<p>Business and Enterprise</p> <p>Infrastructure</p> <p>Strategy and Partnerships</p>	<p>School Crossing Patrols</p> <p>Closed landfill monitoring</p> <p>Highway Development Planning</p> <p>LEP programme management</p> <p>Major Project Management</p> <p>Cycle proficiency training</p> <p>Driver Diversion Schemes</p>	<p>Libraries</p> <p>Registration</p> <p>Archives</p>
Environment, Planning and Enforcement		
<p><b>Countryside, Leisure &amp; Sport</b> services, including Country Parks, Sport &amp; Physical Activity, Explore Kent and Volunteering</p> <p><b>Planning Applications and Minerals &amp; Waste Local Plan</b></p>	<p><b>Public Protection</b> services, including Trading Standards, Coroners, Public Rights of Way, Kent Scientific Services, Gypsy &amp; Traveller Unit, Emergency Planning &amp; Intelligence and Community Safety</p> <p><b>Sustainable Business &amp; Communities</b></p>	<p><b>Strategic Planning &amp; Policy</b>, including Transport Strategy, Strategic Planning &amp; Infrastructure, Heritage Conservation, Flood &amp; Water Management and Natural Environment &amp; Coast</p>

The following services are delivered externally for GET

Service Name	Contract end date
<b>Economic Development</b>	
Inward investment service	July 2019
Appraisal of applications financial schemes RGF Recycled and Innovation Investment Funds	February 2018
No Use Empty Specialist Advice	Rolling one year contract
Visitor economy	March 2018
Kent & Medway Growth Hub	October 2018
Kent Foundation (grant based)	Ongoing
Produced in Kent (grant based)	Ongoing
No Use Empty PR – rolling contract	Rolling one year contract
<b>Environment, Planning and Enforcement</b>	
CLS: Countryside Management Partnerships	Annual SLA: March 2018
KDAONB: Kent Downs AONB Unit	Annual SLA: March 2018
PP: Kent Resilience Team (Partnership)	Annual SLA: March 2018
SBC: Kent Warm Homes (Government-funded grants)	Insulation March 2017 Heating June 2017 (Ongoing as contracts are renewed)

<b>Highways, Transportation and Waste</b>	
Highway Term Maintenance: routine pothole repairs, winter gritting, gully cleaning, streetlight maintenance, surface dressing etc across Kent	Current: Aug 2018 Max <sup>7</sup> : Aug 2021
Surface Treatments; linked to Term Maintenance Contracts review	Current; August 2018 Maximum: August 2021
Streetlight LED conversion and maintenance: a contract over 15 years to convert all 120,000 streetlights to LED and maintain the whole of the streetlighting asset	Current: March 2031 Max: March 2041
Allington Waste to energy: managing approximately 325,000 tonnes of waste	Max: July 2030
Road Resurfacing: a contract to deliver larger road reconstruction and resurfacing schemes	June 2018
SEN Home to School Transport: the arrangement of transport services on behalf of EYP to enable students to access their learning provision. We currently transport approximately 4000 SEN clients around Kent consisting of more than 1200 different contracts	Various - % of contracts to be retendered in following years: 27% of contracts in 2017 17% of contracts in 2018 35% of contracts in 2019
Mainstream Home to School Transport: the arrangement of transport for mainstream students on behalf of EYP, enabling access to their learning provision. We currently transport in excess of 9000 students travelling on various public networks and on over 400 hired contracts	Various - % of contracts to be retendered in following years: 36% of contracts in 2017 29% of contracts in 2018 28% of contracts in 2019
Management of 12 Household recycling centres and 3 transfer stations	Current: Oct 2020 Max: Oct 2026
Technical and Environmental Services: specialist consultancy services such as highway design, surveys, investigations and transportation modelling	Current: March 2018 Max: March 2023
Provision of Organic Waste processing for KCC Lots 4 and 5 for mid and west Kent	Current: Mar 2020 Max: Mar 2026
Provision of Organic Waste processing for KCC Lot 3 East Kent at Ridham Docks	Current: Mar 2020 Max: Mar 2026

<sup>7</sup> 'Max' refers to the 'maximum possible extension' that the contract can allow, over and above the current contract end date.

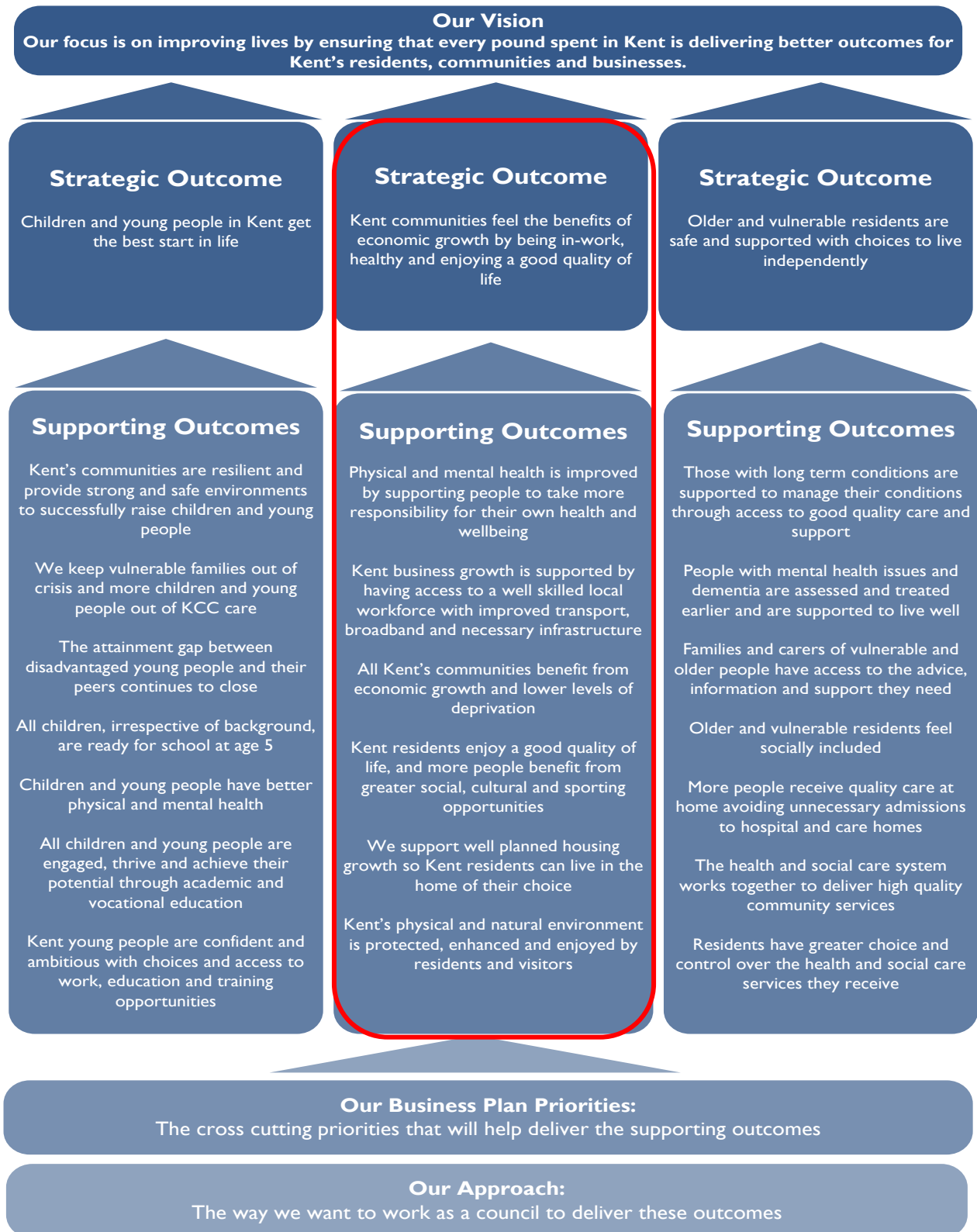
Pepperhill: Household Waste Recycling Centre and Transfer Station Built by FCC and awarded a 25 yr. contract	February 2035
Highway Condition Survey Contract: to survey the condition of roads and footways and prioritise sites for repair	Current March 2018 Max: March 2019
Traffic Signal & Systems: maintenance of all traffic signals, variable message signs etc in Kent	Current: March 2021 Max: March 2026
Reception Bulking & Transport of Residual Waste Canterbury Area to Allington Waste to Energy Facility or other nominated facilities Lot 1	Current: Nov 2017 Max: Nov 2019
Reception Bulking & Transport of Residual Waste Thanet Area to Allington Waste to Energy Facility or other nominated facilities Lot 2	Current: Nov 2017 Max: Nov 2019
Soft landscaping: Urban Grass, Hedges and Shrubs (Sevenoaks, Tonbridge & Malling, Tunbridge Wells)	Current: December 2017 Max: December 2019
Soft landscaping: Urban Grass, Hedges and Shrubs (Dartford, Maidstone, Canterbury and Thanet)	Current: December 2017 Max: December 2019
Coring and materials testing	Current: August 2017 Max: August 2019
Ridham Docks: Processing and Recycling of Wood Waste	October 2020
Smartcard back-office systems and Smartcard provision	March 2017
Customer enquiry, job and asset management software	Current: August 2017 Awaiting approval to extend for a maximum of a further 3 years
Collection & or Processing & Disposal of Clinical waste 2016-2018	Current December 2017 Maximum: December 2019
West Kent HWRC Textiles and Shoes Collection and Processing	June 2017
Rural Swathe Cutting and Visibility Splays	Out to tender – to be confirmed



Arboriculture Works Term Contract	Current: August 2017 Maximum: August 2019
Highway weed control	Current: March 2018 Maximum: March 2020
Dartford Heath, Swanley and Tovil Household Waste and Recycling Centre and Transfer Stations	June 2019
North Farm and Dunbrik Household Waste and Transfer Stations	March 2020
Dry Recyclate Processing Lots 1 and 2	July 2020
Waste Treatment and/or Final Disposal Lot 1 and 2	Current April 2021 Maximum: April 2023
Waste Treatment and/or Final Disposal Lot 3a	Current July 2021 Maximum: July 2023
Waste Treatment and/or Final Disposal Lot 3b	Current July 2021 Maximum: July 2023
<b>Libraries, Registration and Archives</b>	
Volunteer Programme	October 2018

## Appendix 2 - KCC's Outcome Framework from the Strategic Statement

GET supports and delivers primarily to the middle Strategic Outcome of KCC's [Strategic Statement 'Increasing Opportunities, Improving Outcomes'](#), as highlighted, but our services are also increasingly working to deliver to the other Strategic Outcomes.



## Appendix 3 - KCC Annual Report's Priorities for 2017-18

By reflecting on the issues raised in the [Annual Report](#), our Cabinet Members have identified a series of priorities for the year ahead, which will drive our business plans. In 2017-18, KCC will:

### Strategic Outcome 1:

Children and young people in Kent get the best start in life

Ensure the attainment gap for disadvantaged children continues to close

Effectively manage the new contract for children and young people's emotional health and wellbeing services and reduce waiting times for CAMHS services

Continue to increase the number of apprenticeships for young people

### Strategic Outcome 2:

Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life

Tackle obesity, particularly in Kent's deprived areas, through engagement in sport and physical activity

Agree our Local Transport Plan 4: Delivering Growth without Gridlock for 2016-2031 and develop an effective delivery plan

Increase the percentage of Kent's working-aged population with level 3 NVQ equivalent qualifications

### Strategic Outcome 3:

Older and vulnerable residents are safe and supported with choices to live independently

Continue to work with our partners to reduce delayed hospital discharge by ensuring people have the right support at the right time

Reduce the number of hospital and care home re-admissions following enablement support

Make it easier for vulnerable and older individuals, their families and carers to access advice, information and support

### Working better together – changing how we work

Improve customer engagement activity, including consultations, surveys and focus groups, so that learning can enhance customer insight and service delivery across the authority

Collectively work with all partners to improve openness and share information to support successful delivery of our outcomes

Improve the effectiveness of our contract performance monitoring and work with providers to develop a more open dialogue to tackle any issues early

## Appendix 4 – Glossary

AONB	Area of Outstanding Natural Beauty
BAU	Business As Usual
BDUK	Broadband Delivery UK
CIL	Community Infrastructure Levy
CLS	Countryside, Leisure and Sport
DCLG	Department of Communities and Local Government
ED	Economic Development
EPE	Environment, Planning and Enforcement
FRAMES	Flood Resilient Areas by Multi-layered Safety
GIF	Growth and Infrastructure Framework
HLF	Heritage Lottery Fund
HTW	Highways, Transportation and Waste
HWRC	Household Waste Recycling Station
KDAONB	Kent Downs Area of Outstanding Natural Beauty Unit (EPE)
KES	Kent Environment Strategy
KMEP	Kent and Medway Economic Partnership
KMSEP	Kent and Medway Sustainable Energy Partnership
LEP	Local Enterprise Partnership
LGF	Local Growth Fund
LOCASE	Low Carbon across the South East
LRA	Libraries, Registration and Archives
LTP4	Local Transport Plan 4
MTFP	Medium Term Financial Plan
OD	Organisational Development
PAG	Planning Applications Group (EPE)
PP	Public Protection (EPE)
PROW	Public Rights of Way (EPE)
RGF	Regional Growth Fund
SBC	Sustainable Businesses and Community (EPE)
SBDI	Strategic Business Development and Intelligence
SELEP	South East Local Enterprise Partnership
SEN	Special Educational Needs
SME	Small or Medium Enterprise
SPP	Strategic Planning and Policy (EPE)
TMC	Term Maintenance Contract (Highways)
TS	Transfer Station (Waste)

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 – 22<sup>nd</sup> March 2017

Subject: **Risk Management: Growth, Environment and Transport Directorate**

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 two risks featuring on the Corporate Risk Register for which the Corporate Director is the designated 'Risk Owner' on behalf of the Corporate Management Team. 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 directorate risk register and relevant corporate risks outlined in appendices 1 and 2.

**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' on behalf of CMT for several corporate risks, two of which (CRR 3 – access to resources to aid economic growth and enabling infrastructure; and CRR 4 – civil contingencies and resilience) are of relevance to this Committee and are presented for comment in appendix 1. CRR 3 – access to resources to aid economic growth and enabling infrastructure, has been assessed as being "High" (Red). Mitigation controls and actions are outlined within the detail of the risk 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. Policy Framework**

- 3.1 Risks highlighted in the risk registers relate to strategic priorities and outcomes featured in KCC's Strategic Statement 2015-2020, 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 five directorate risks featured on the Growth, Environment & Transport directorate risk register (appendix 2), one of which is rated as 'High'. (GET 03 – Partner Organisations not offering the required level of service). Many of the risks highlighted on the register are discussed as part of regular items to Cabinet Committees.
- 4.2 Since last reported to Cabinet Committee in March 2016, one risk has been assessed as increasing in severity (GET 03 – Partner organisations/contractors not offering the required level of service), and one risk has been assessed as reducing in severity (GET 08 – Skills shortage and capacity issues to apply for funding and manage contracts and projects). One risk has been closed (GET 10 Delivery of budget targets 2016/17), as this has been managed. A new risk of this nature is being developed for 2017/18. In addition, a divisional risk relating to workforce succession planning is being escalated to the directorate register as it is deemed to be relevant to all divisions.
- 4.3 Mitigations for risks are highlighted and implemented on a regular basis as required. For example, in relation to GET 03 (Partner organisations/contractors not offering the required level of service) various contract boards are in place across Highways, Transportation and Waste services to monitor services where providers have quality metrics that they must adhere to, and issues are being raised as necessary with commissioned services. Furthermore, the approach to contract management of Waste services contracts has been through an internal audit process and has received a substantial assurance opinion.
- 4.4 The Libraries, Registration & Archives service is currently conducting a comprehensive review of risks and opportunities to achievement of service objectives to ensure its approach is robust and current.
- 4.5 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.
- 4.6 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 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 on KNet intranet site.

## 7. Contact details

Report Author

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## APPENDIX 1

### Corporate Risks of particular relevance to 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	Direction of Travel since March 2016
CRR 3	Access to resources to aid economic growth and enabling infrastructure	16	9	↑
CRR 4	Civil Contingencies and Resilience	12	8	↔

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					
<b>Likelihood</b>	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
<b>Impact</b>	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)

<b>Risk ID</b>	<b>CRR3</b>	<b>Risk Title</b>	<b>Access to resources to aid economic growth and enabling infrastructure</b>			
<b>Source / Cause of Risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>	
<p>The Council seeks access to resources to develop the enabling infrastructure for economic growth, regeneration and health.</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 'Section 106' contributions, Community Infrastructure Levy (CIL) and other growth levers to pay for it.</p> <p>At the same time, Government funding for infrastructure (for example via the 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>The European Union (EU) referendum result has created uncertainty over levels of EU funding available for projects in the longer term.</p>	<p>Inability to secure sufficient contributions from development to support growth.</p> <p>Failure to attract sufficient funding via the Local Growth Fund (LGF) and other public funds to both support the cost of infrastructure and aid economic growth and regeneration.</p> <p>Insufficient return on investment from Regional Growth Fund (RGF) schemes or significant level of default on loans.</p>	<p>Key opportunities for growth missed.</p> <p>The Council finds it increasingly difficult to fund KCC services across Kent (e.g. schools, waste services) and deal with the impact of growth on communities.</p> <p>Kent becomes a less attractive location for inward investment and business.</p> <p>Our ability to deliver an enabling infrastructure becomes constrained.</p> <p>Reputational risk.</p>	<p>Barbara Cooper, Corporate Director Growth, Environment and Transport</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Mark Dance, Economic Development</p> <p>Matthew Balfour, Environment &amp; Transport</p>	<p>Likely (4)</p> <p><b>Target Residual Likelihood</b> Possible (3)</p>	<p>Serious (4)</p> <p><b>Target Residual Impact</b> Significant (3)</p>	

<b>Control Title</b>	<b>Control Owner</b>
Growth and Infrastructure Framework for Kent and Medway published, setting out the infrastructure needed to deliver planned growth.	Katie Stewart, 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 / Katie Stewart, 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, working with other KCC directorates, 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
Infrastructure Funding Group established and receives regular performance reports, potential issues for resolution and highlights funding gaps etc.	Barbara Cooper, Corporate Director, Growth, Environment and Transport
Strong engagement of private sector through Kent and Medway Economic Partnership (KMEP), Business Advisory Board and Kent Developer' Group	David Smith, Director Economic Development
Strong engagement with South East LEP and with central Government to ensure that KCC is in a strong position to secure resources from future funding rounds	David Hughes, Head of Business and Enterprise
Monitoring framework in place for Regional Growth Fund (RGF) programmes covering the issuing and management of contract agreements with regular reports reviewed by Growth, Economic Development & Communities Cabinet Committee.	Jacqui Ward, Regional Growth Fund Programme Manager
KCC Internal Audit and external Auditor commissioned on an annual basis to conduct audits on the compliance of the RGF process and administration of the schemes, including governance, decision making and outcomes	Jacqui Ward, Regional Growth Fund Programme Manager
Continued coordinated dialogue with developers, Districts and KCC service directorates	Nigel Smith, Head of Development
KCC is actively engaged in preparation of local plans across Kent and Medway, responding to all consultations	Tom Marchant, Head of Strategic Planning and Policy

Action Title	Action Owner	Planned Completion Date
Produce Kent's Local Transport Plan 4 – the next iteration of 'Growth without Gridlock'	Tom Marchant, Head of Strategic Planning & Policy	July 2017
Growth & Infrastructure Framework – interim refresh being conducted including reviewing key actions arising from the framework.	Tom Marchant, Head of Strategic Planning & Policy	December 2017 (review)
Progress proposals for a more consistent and comprehensive approach to early engagement and provision of advice for developers on major development proposals, involving a single point of contact at senior County Council officer level.	Nigel Smith, Head of Development	November 2017

<b>Risk ID</b>	<b>CRR4</b>	<b>Risk Title</b>	<b>Civil Contingencies and Resilience</b>					
			<b>Source / Cause of Risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>
			The Council, along with other Category 1 Responders in the County, has a legal duty to establish and deliver containment actions and contingency plans to reduce the likelihood, and impact, of high impact incidents and emergencies. This includes responses associated with the Counter-terrorism and Security Act 2015 (CONTEST).	Failure to deliver suitable planning measures, respond to and manage these events when they occur.	Potential increased harm or loss of life if response is not effective.	On behalf of CMT:	Possible (3)	Serious (4)
			The Director of Public Health has a legal duty to gain assurance from the National Health Service and Public Health England that plans are in place to mitigate risks to the health of the public including outbreaks of communicable diseases e.g. Pandemic Influenza.	Critical services are unprepared or have ineffective emergency and business continuity plans and associated activities.	Serious threat to delivery of critical services.	Barbara Cooper, Corporate Director Growth, Environment & Transport	<b>Target Residual Likelihood</b> Unlikely (2)	<b>Target Residual Impact</b> Serious (4)
			Ensuring that the Council works effectively with partners to respond to, and recover from, emergencies and service interruption is becoming increasingly important in light of recent national and international security threats, severe weather incidents and the increasing threat of "cyber-attacks".	Lack of preparedness for new or emerging threats.	Increased financial cost in terms of damage control and insurance costs.	<b>Responsible Cabinet Member(s):</b>  Mike Hill, Community Services		
				Lack of resilience in the supply chain hampers effective response to incidents.	Adverse effect on local businesses and the Kent economy.			
					Possible public unrest and significant reputational damage.			
					Legal actions and intervention for failure to fulfill KCC's obligations under the Civil Contingencies Act or other associated legislation.			

Control Title	Control Owner
<p>Legally required multi-agency Kent Resilience Forum in place, with work driven by risk and impact based on Kent's Community Risk Register. Key roles of group include:</p> <ul style="list-style-type: none"> <li>• Intelligence gathering and forecasting;</li> <li>• Regular training exercises and tests;</li> <li>• Task &amp; Finish groups addressing key issues.</li> <li>• Plan writing</li> <li>• Capability building</li> </ul>	Mike Overbeke, Head of Public Protection (for Kent Resilience Team Activity)
Kent Resilience Forum has a Health sub-group to ensure coordinated health services and Public Health England planning and response is in place	Andrew Scott-Clark, Director of Public Health
Kent Resilience Forum Severe Weather Advisory Group established to convene in the event of a severe weather incident.	Mike Overbeke, Head of Public Protection
Critical functions identified across KCC as a basis for effective Business Continuity Management (BCM).	Tony Harwood, Resilience and Emergencies Manager
The Director of Public Health works through local resilience fora to ensure effective and tested plans are in place for the wider health sector to protect the local population from risks to public health.	Andy Scott-Clark, Director of Public Health
Management of financial impact to include Bellwin scheme	Dave Shipton, Head of Financial Strategy
Maintenance & delivery of emergency procedures, plans and capabilities in place to respond to a broad range of challenges.	Tony Harwood, Resilience and Emergencies Manager
System in place for ongoing monitoring of severe weather events (SWIMS)	Carolyn McKenzie, Head of Sustainable Business and Communities
Implementation of Kent's Climate Adaptation Action Plan	Carolyn McKenzie, Head of Sustainable Business and Communities
Local multi-agency flood response plans in place for each district / borough in Kent, in addition to overarching flood response plan for Kent	Mike Overbeke, Head of Public Protection
Winter Resilience Planning Group & action plan in place.	Mike Overbeke, Head of Public Protection
ICT resilience improvements made to underlying data storage, data centre capability and network resilience.	Michael Lloyd, Head of Technology Commissioning & Strategy
On-going programme of review relating to ICT Disaster Recovery and Business Continuity	Michael Lloyd, Head of

	Technology Commissioning & Strategy
Kent Resilience Team in place bringing together personnel from KCC, Kent Police and Kent Fire and Rescue Service in an integrated and co-located team to deliver enhanced emergency planning and business continuity in Kent	Mike Overbeke, Head of Public Protection
Multi-Agency recovery structures are in place at the Strategic and Tactical levels & working effectively.	Katie Stewart, Director Environment Planning & Enforcement
KCC Community Wardens trained as Incident Liaison Officers	Mike Overbeke, Head of Public Protection
KCC and local Kent Resilience Forum partners have tested preparedness for chemical, biological, radiological, nuclear and explosives (CBRNE) incidents and communicable disease outbreaks in line with national requirements. The Director of Public Health has additionally sought and gained assurance from the local Public Health England office and the NHS on preparedness and maintaining business continuity.	Andrew Scott-Clark, Director Public Health
KCC jointly with Medway Council Public Health dept maintain an on-call rota on behalf and with Public Health England to ensure preparedness for implementing the Scientific, Technical Advisory Cell (STAC) in the event of a major incident with implications for the health of the public	Andrew Scott-Clark, Director of Public Health
'Introduction to Emergency Planning' e-learning package available to all staff	Tony Harwood, Resilience and Emergencies Manager
Emergency planning training rolled out at strategic, tactical and operational levels. KCC Resilience Programme in place to deliver further training opportunities.	Katie Stewart, Director Environment Planning & Enforcement
Exercises regularly conducted to test different elements of KCC emergency and business continuity arrangements with partners (e.g. Exercise 'Loki' and exercise 'Surge').	Tony Harwood, Resilience & Emergencies Manager
Senior Management on-call rota devised and agreed	Katie Stewart, Director Environment Planning & Enforcement
Emergency Reservists have been recruited to aid emergency responses	Katie Stewart, Director Environment Planning & Enforcement
Learning and potential improvements to business continuity plans in light of recent loss of ICT systems captured	Katie Stewart, Director Environment Planning & Enforcement
KCC Business Continuity Plan in place	Katie Stewart, Director Environment Planning &

		Enforcement
Kent Channel Panel (early intervention mechanism providing tailored support to people who have been identified as at risk of being drawn into terrorism), established at district and borough level.		Nick Wilkinson, KCC Prevent Lead Officer
Prevent Duty Delivery Board established to oversee the activity of the Kent Channel Panel, co-ordinate Prevent activity across the County and report to other relevant strategic bodies in the county.		Andrew Ireland, Corporate Director, Social Care, Health and Well-Being.
Reporting arrangements have been reviewed to include appropriate elected Member oversight of KCC Business Continuity arrangements.		Katie Stewart, Director Environment Planning & Enforcement
IT security incidents are logged and reviewed from an IT and wider Information Governance perspective		Kathy Stevens, ICT Risk and Compliance Manager
Cabinet Office resilience training delivered		Katie Stewart, Director EPE
Steering Group established and work done to understand local implications of any potential increase in national security threat level in future		Katie Stewart, Director EPE.
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Review sufficiency of KCC and Kent Resilience Team emergency and resilience resource	Katie Stewart, Director of Environment, Planning & Enforcement; Mike Overbeke, Head of Public Protection	April 2017 – Phase 2
Establish local procedures to prepare should national security threat level increase to 'critical', including an update of the Corporate Business Continuity Plan and the piloting of a lead accountable role for such a move in threat levels.	Katie Stewart, Director EPE	April 2017
Exercise the procedures for a move in national threat level should it occur.	Katie Stewart, Director EPE	July 2017
Review of Corporate Business Continuity Plan to reflect new threats and risks, including Climate Change Risk Assessment	Katie Stewart, Director EPE	May 2017





## **APPENDIX 2**

### **GROWTH, ENVIRONMENT AND TRANSPORT DIRECTORATE RISK REGISTER FEBRUARY 2017**

## Summary Risk Profile

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

Risk No.*	Risk Title	Current Risk Rating	Change since Spring 2016	Target Risk Rating
GET 02	Health & Safety considerations	10	↔	10
GET 03	Partner organisations/contractors not offering the required level of service	16	↑	8
GET 05	Directorate response and resilience to severe weather incidents	12	↔	6
GET 08	Skills shortage and capacity issues to apply for funding and manage contracts and projects	9	↓	6
GET 09	Loss of ICT systems	12	↔	9
GET 10	Delivery of budget targets 2016/17	Risk Closed		

\*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					
<b>Likelihood</b>	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
<b>Impact</b>	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)

<b>Risk ID:</b>	<b>GET 02</b>	<b>Risk Title:</b>	<b>Health &amp; Safety considerations</b>			
<b>Source / Cause of risk</b> Services across the directorate need to pay due regard to potential Health and Safety issues due to the nature of the work they undertake.	<b>Risk Event</b> 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.	<b>Consequence</b> Distress to families concerned, possible legal action against the authority and reputational damage.	<b>Risk Owner</b> GET Directorate Management Team	<b>Current Likelihood</b> Unlikely (2)	<b>Current Impact</b> Major (5)	
				<b>Target Residual Likelihood</b> Unlikely (2)	<b>Target Residual Impact</b> Major (5)	
<b>Control Title</b>				<b>Control Owner</b>		
Maintain sound Health and Safety systems at waste sites including reviewing accidents and near-misses.				Roger Wilkin, Director Highways, Transportation and Waste		
Staff to follow Health and Safety legislation and guidance				GET Directorate Management Team		
Regular reporting of accident data and Health & Safety updates to senior managers.				GET Directorate Management Team		
Regular risk assessments of all Directorate sites and hazards				GET Directorate Management Team		
Environment Planning and Enforcement (EPE) divisional Health and Safety group in place and meets quarterly and reports to Divisional Management Team.				EPE Divisional Management Team		
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		
Health and Safety audit on Waste Management now completed and we received a good / substantial level of improvement.				Roger Wilkin, Director Highways, Transportation and Waste		
420 library staff have taken personal safety e-learning module.				Barbara Bragg, Strategic Manager – Specialist and Support Services		
Ensuring recommendations of the independent Health & Safety review are monitored and improved as required				Roger Wilkin, Director Highways, Transportation and Waste		

Action Title	Action Owner	Planned Completion Date
Liaise with Facilities Management Contractors to ensure appropriate levels of Fire Wardens and First Aiders	Total Facilities Management Contract Managers / Gen 2 Business Process Improvement and Supply Chain Manager	April 2017
Conflict resolution training organised, beginning in November 2015, to run over an 18 month period.	Barbara Bragg, Strategic Manager Specialist and Support Services Libraries	May 2017

<b>Risk ID:</b>	<b>GET 03</b>	<b>Risk Title: Partner Organisations/contractors not offering the required level of service.</b>					
<b>Source / Cause of risk</b> KCC - including services across the GET directorate, work closely with partners and contractors to provide its services to the people of Kent, however issues are being experienced with Contact Point systems and Facilities Management providers.	<b>Risk Event</b> Partner organisations or contractors do not provide the required level of service to the public.	<b>Consequence</b> Efficient / good value for money / high quality services are not provided.	<b>Risk Owner</b> GET Directorate Management Team	<b>Current Likelihood</b> Likely (4)	<b>Current Impact</b> Serious (4)	<b>Target Residual Likelihood</b> Unlikely (2)	<b>Target Residual Impact</b> Serious (4)
<b>Control Title</b>				<b>Control Owner</b>			
Robust contract management and client function.				Roger Wilkin, Director Highways, Transportation and Waste			
Rigorous programme of pre-qualification checks on potential contractors to assure ability to deliver.				Roger Wilkin, Director Highways, Transportation and Waste			
Service Level Agreements are put in place where services are provided by a third party.				David Beaver, Head of Waste Management and Business Services			
Monthly performance report showing QPM results produced by Highways Term Maintenance contractor				Roger Wilkin, Director Highways, Transportation and Waste			
Partners have business continuity plans, risk registers, performance management and governance arrangements in place				Roger Wilkin, Director Highways, Transportation and 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			
Various service specific contract boards are in place across Highways, Transportation and Waste service contracts and these monitor “services” where providers have quality metrics that they must adhere to and are defined within contract documentation				David Beaver, Head of Waste Management and Business Services			
Issues with Contact Point provider being raised through the Customer Service Board				GET Directorate Management Team			

To work with Infrastructure commissioners to raise issues with Total Facilities Management (TFM) providers	GET Directorate Management Team
<b>Action Title</b>	<b>Action Owner</b>
<p>Performance monitoring of Highways contractor being conducted through regular Contract Boards. Contractor to provide an annual performance report to cover all contract areas.</p> <p>'Working better together' groups for street lighting and drainage formed to promote the sharing of best work practices and improved ways of working.</p>	<p>David Beaver, Head of Waste Management and Business Services / Andrew Loosemore, Deputy Director Highways, Transportation and Waste / Roger Wilkin, Director Highways, Transportation and Waste</p>
	Planned Completion Date Dec 2017 (review)

<b>Risk ID:</b>	<b>GET 05</b>	<b>Risk Title:</b>	<b>Directorate response and resilience to severe weather incidents</b>				
<b>Source / Cause of risk</b> 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.	<b>Risk Event</b> Failure by key services in GET to deliver suitable planning measures, respond to and manage these events when they occur.	<b>Consequence</b> 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.	<b>Risk Owner</b> Katie Stewart Director Environment, Planning & Enforcement/ Roger Wilkin, Director Highways, Transportation and Waste	<b>Current Likelihood</b> Possible (3)	<b>Current Impact</b> Serious (4)	<b>Target Residual Likelihood</b> Unlikely (2)	<b>Target Residual Impact</b> Significant (3)
<b>Control Title</b>			<b>Control Owner</b>				
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, Head of Highways Operations				
Senior Management on-call rota devised and now in place			Katie Stewart Director Environment, Planning & Enforcement				
Business Continuity Plans are kept under constant review			Tony Harwood, Resilience and Emergencies Manager				
Training is available and being rolled out at strategic, tactical and operational level			Tony Harwood, Resilience and Emergencies Manager				
Local Flood Risk Strategy delivered and Flood Risk Management Plan in place			Tony Harwood, Resilience and Emergencies Manager				

Severe Weather Impacts Monitoring System now in use to support the Authority with its response to extreme events	Carolyn McKenzie, Head of Sustainable Business and Communities	
Exercises regularly conducted to test different elements of emergency and business continuity arrangements with partners (e.g. Exercise 'Surge').	Tony Harwood, Resilience and Emergencies Manager	
Recommendations from the Winter Flooding Plan are being delivered	Carolyn McKenzie, Group Head – Sustainable Business and Communities / Mike Overbeke, Group Head – Public Protection	
Post Winter Plan completed	Andrew Loosemore, Head of Highways Operations	
Contractual issues have been raised with Agilysis commissioners regarding Out of Hours response in severe weather incidents	GET Directorate Management Team	
Kent Resilience Forum (KRF) Severe Weather Advisory Group established to convene in the event of a severe weather incident	Tony Harwood, Resilience and Emergencies Manager	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Building on the learning from Exercise Surge, continue to train and exercise against the Surge scenario and expand on the Recovery table-top exercise. Deliver a Recovery Exercise based on "Surge + 6 months" to test partners' abilities to support the community in the return to normality in the longer term	Katie Stewart, Director EPE	July 2017
Continue to train and exercise against the Exercise Surge scenario and test the Kent Resilience Forum Media and Communications Plan elements that were not covered by the exercise including the management of real media and the use of real media to warn and inform the community. Test the cell's capacity to work 'virtually'.	Katie Stewart, Director EPE	September 2017
Review, update and circulate the Kent Resilience Forum Evacuation and Shelter Plan to reflect learning from Exercise Surge	Katie Stewart, Director EPE	December 2017
Complete a Training Needs Analysis for Welfare Centre Managers and Staff required to staff two welfare centres for a period of 24 hours and ensure that the KRF Welfare Centre training is internally promoted. Amend welfare centre training to take into account any issues around documentation, information provision, luggage, translating. Ensure that it is promoted effectively in organisations.	Katie Stewart, Director EPE	May 2017



<b>Risk ID: GET 08 Risk Title: Skills shortage and capacity issues to apply for funding and manage contracts and projects</b>						
<b>Source / Cause of risk</b> 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.	<b>Risk Event</b> 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.	<b>Consequence</b> 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.	<b>Risk Owner</b> GET Directorate Management Team	<b>Current Likelihood</b> Possible (3)	<b>Current Impact</b> Significant (3)	
				<b>Target Residual Likelihood</b> Unlikely (2)	<b>Target Residual Impact</b> Significant (3)	
<b>Control Title</b>				<b>Control Owner</b>		
An Organisational Development (OD) 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 and Transport Portfolio Board established to monitor risks and key issues				Barbara Cooper, Corporate Director Growth, Environment and Transport		
Local Growth Fund Project and Steering Group established				Lee Burchill, Local Growth Fund Programme Manager		
Workforce Planning exercise conducted with Highways, Transportation and Waste Division to identify gaps in relation to critical roles and recommendations to action and next steps				Roger Wilkin, Director Highways, Transportation and Waste		
Highways contractor has funded Microsoft Project Training for its Managers to improve their skills base.				Roger Wilkin, Director Highways, Transportation and Waste		

Workforce Planning now takes place across the Environment, Planning and Enforcement division at different times in order that services plan ahead for retirements and identifying experience opportunities to being in new talent	Katie Stewart, Director Environment, Planning & Enforcement.	
KCC staff are helped to access external funding programmes including form completion and bid writing	David Smith, Director Economic Development	
Ensure relevant KCC staff are helped to access EU funding programmes including form completion and bid writing and help them to understand implications of any future changes	David Smith, Director Economic Development	
Resources are being allocated and prioritised according to need. Reconciling information relating to Local Transport Plan and Growth & Infrastructure Framework	David Smith, Director Economic Development/ Katie Stewart, Director Environment, Planning & Enforcement.	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Environment Planning and Enforcement (EPE) division is undertaking a transformation programme that will respond to issues raised in workforce planning	Katie Stewart, Director Environment, Planning & Enforcement.	April 2017
GET Organisation Development (OD) Group are exploring opportunities for horizontal progression and talent management	Katie Stewart, Director Environment, Planning & Enforcement	March 2017
GET OD Group are developing a forward-looking workforce strategy for GET which will identify skills needs for the next five to ten years for GET, from which an action plan can be drawn.	Katie Stewart, Director Environment, Planning & Enforcement	May 2017

<b>Risk ID:</b>	<b>GET 09</b>	<b>Risk Title: Loss of Information Communication and Technology (ICT) systems</b>					
<b>Source / Cause of risk</b> 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. These systems rely on KCC or external partners. In addition the telephone system is reliant upon having a working internet system in order to operate.	<b>Risk Event</b> 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.	<b>Consequence</b> 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. Prolonged interruption could also lead to loss of income from payment systems	<b>Risk Owner</b> GET Directorate Management Team	<b>Current Likelihood</b> Possible (3)	<b>Current Impact</b> Serious (4)	<b>Target Residual Likelihood</b> Possible (3)	<b>Target Residual Impact</b> Significant (3)
<b>Control Title</b>			<b>Control Owner</b>				
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				
Revisions made to Business Continuity Plans in EPE division reflect changes to Divisional Management Team			Katie Stewart, Director Environment, Planning & Enforcement				
Contract in place to ensure continuity of existing Atrium planning system until summer 2018			Sharon Thompson, Head of Planning Applications				
<b>Action Title</b>		<b>Action Owner</b>		<b>Planned Completion Date</b>			
All GET Divisions to review resilience of ICT systems and to commission solutions for disaster recovery where needed and not already in place		GET Directorate Management Team/Kathy Stevens, ICT Compliance and Risk Manager		May 2017			
Investigate options for use of SharePoint in HTW division		Roger Wilkin, Director Highways, Transportation and Waste		June 2017			

Procure and implement new ICT system for planning applications to replace 'Atrium planning' Sharon Thompson, Head of Planning Applications June 2018

From: Mark Dance, Cabinet Member for Economic Development  
John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement  
David Shipton, Head of Financial Strategy

To: Growth, Economic Development and Communities Cabinet Committee - 22 March 2017

Subject: Impact of 2017 Business Rate Revaluation and Small Business

Classification: Unrestricted

**Summary:**

This report explores the background to the 2017 revaluation, how the revaluation has impacted on Kent properties compared to South East and the rest of England. The report also provides further information on the transitional arrangements announced in the 2016 Autumn Budget Statement and Local Government Finance settlement to support the implementation of the revaluation, and the changes for small businesses announced in the March 2016 Budget.

**Recommendations:**

The Cabinet Committee is asked to note the impact of the 2017 business rates revaluation, including the recalibration of the NNDR multiplier and transitional arrangements, and the additional reliefs for small businesses

**1. Introduction**

- 1.1 National Non Domestic Rates (NNDR), or business rates as they are commonly known, were introduced in 1990. Effectively this is a national taxation on all non-domestic properties. The tax is calculated according to the rateable value of the property and NNDR multiplier (rate in the £) set by central government. Since its introduction the multiplier has been increased each year in line with inflation (based on September Retail Prices Index, RPI). The 2016 multiplier is 49.7p in the £ for properties with a rateable value over £18,000 (smaller properties are subject to a lower multiplier of 48.4p in the £).
- 1.2 The rateable value is determined by the Valuation Office Agency (VOA) based on the open market rental value of the property. Normally properties are revalued every 5 years (quinquennial review). At the same time the NNDR multiplier is reset so that the overall yield from business rates is unchanged following the review (with an allowance for the annual inflationary uplift and estimated impact of appeals).
- 1.3 The revaluation scheduled for 2015 was deferred until 2017 following a Government announcement in autumn 2012. At the time the rationale for this deferral was that 2010 valuation was based on market values at the height of

the property boom (April 2008). The subsequent property crash would have had a significant impact on 2015 values (based on April 2013 market value) and consequently an unsustainable increase to the multiplier. It was claimed this would have had a detrimental impact for many businesses, particularly those where rates are the third largest cost after staff and property rents. The 2017 revaluation, recalibration of the NNDR multiplier and revised transitional arrangements will apply to business rates bills issued from April 2017.

## **2. Business Rates List**

- 2.1 The vast majority of properties are recorded on the VOA's local list. Business rate collection from the local list is the responsibility of the lower tier local authority (district councils in two tier areas). Under the current local government funding arrangements local authorities retain 50% of the business rates collected in their area from the local list (subject to redistribution against the baseline of previous grants via a system of tariffs and top-ups). These tariffs and top-ups have been recalculated for 2017-18 to ensure the impact of the revaluation on individual local authority budgets is broadly neutral. Any growth (or decline) on this local share is retained (subject to levy and safety net adjustments to mitigate significant changes). The remaining 50% (including the share of growth/decline) is returned to the Department for Communities and Local Government.
- 2.2 Some properties, notably those in the network property of major transport, utility and telecommunications undertakings and cross-country pipelines, are recorded on the central list. Business rates for properties on the central list are remitted directly to the Department for Communities and Local Government. By law, the 50% returned share from the local list and the proceeds from the central list have to be paid to local authorities to fund local services through grant mechanisms (including revenue support grant).
- 2.3 The occupier of premises on the local and central lists is liable to pay the business rates. This could be the owner-occupier, leaseholder, or a sub lessee. Empty properties will be assessed according to who is entitled to possession. Sole traders are personally liable to pay the business rates and in partnerships all partners are jointly and severally liable. If a company conducts its business from the premises and the company shows it is in occupation then the company will be liable. Normally only one rates bill will be issued for any property on the list, if more than one person/body is liable to pay the rates then all names will be listed on the bill.
- 2.4 A liquidated company is still liable to pay business rates where it remains in occupation of a property; effectively this means rates are paid before any secured creditors. The liquidator will seek to terminate occupation at the earliest possible opportunity. A company in administration is similar to a liquidated company i.e. not liable for business rates when not in occupation. Liability for business rates on a property of a company in receivership usually transfers to the receiver.

- 2.5 Some properties are exempt from business rates and not included in central or local lists. By definition this includes all domestic properties (which are listed on council tax lists); other exempt properties include agricultural land and buildings, places of religious worship (including church halls), properties used for the sole use by disabled persons, public parks, sewers and properties occupied by drainage authorities, Trinity House properties, etc.
- 2.6 Business rates can be discounted. In some case these are mandatory and other cases are at the discretion of local collection authorities. Mandatory exemptions include empty properties (6 months for industrial premises, 3 months all other categories), small businesses (see section 5 below), and properties occupied by charities or community amateur sports clubs (80% relief). Discretionary exemptions include increasing charitable relief to 100%, cases of exceptional hardship, and certain essential premises serving rural communities (although this will be largely superseded by the extension of mandatory small business rate relief outlined in section 5).

### **3. 2017 Revaluation**

- 3.1 The initial outcome of the VOA revaluation was announced in September 2016. The revaluation is based on the open market value of properties in April 2015. As a result some areas where property values have increased significantly since April 2008 (particularly in London and South East) have seen substantial increases in rateable values, whilst in other areas where property values have not fully recovered following the recession rateable values have fallen. At the time it was suggested that the revaluation would result in the most dramatic changes in business rates since its introduction. The headline changes in rateable values by local region are shown in table 1 below. The recalibration of the NNDR multiplier and transitional arrangements, were not announced at the same time as the outcome from the revaluation.

Table 1			
	2010	2017	
2010 and 2017 Revaluation Rating List (at 06 Oct 2016)	Rateable value	Rateable value	Percentage Change
	£000	£000	
England Total	57,685,499	63,212,289	9.6
North East	2,165,960	2,145,459	-0.9
North West	6,702,554	6,701,757	0
Yorkshire & Humberside	4,784,819	4,785,621	0
East Midlands	3,656,330	3,925,789	7.4
West Midlands	4,988,464	5,148,781	3.2
East	5,576,067	5,782,510	3.7
London	16,419,047	20,310,982	23.7
South East	8,600,631	9,428,935	9.6
South West	4,791,628	4,982,454	4
Source: VOA administrative data as at 25 September 2016			

- 3.2 Table 2 below shows the headline changes for south east authorities. This shows that the change in rateable values in Kent was less than most other authorities in the area and well below the overall average for the area. Table 3 shows the same headline analysis for the 12 Kent districts compared to the overall Kent, South East and England averages.

Table 2	Number of Properties	2010	2017	Percent Change
		Rateable Value £000s	Rateable Value £000s	
County Areas				
Buckinghamshire	14,750	431,010	455,160	5.6
East Sussex	19,260	335,929	367,890	9.5
Hampshire	39,370	1,205,223	1,280,858	6.3
<b>Kent</b>	<b>48,520</b>	<b>1,372,636</b>	<b>1,453,832</b>	<b>5.9</b>
Oxfordshire	20,660	732,474	822,149	12.2
Surrey	33,330	1,155,302	1,335,004	15.6
West Sussex	26,740	793,298	852,504	7.5
Unitary Areas				
Medway	6,240	219,901	223,146	1.5
Other	62,300	2,354,857	2,638,393	12.0
Total South East	271,140	8,600,631	9,428,935	9.6



Table 3	Number of Properties	2010	2017	Percent Change
		Rateable Value £000s	Rateable Value £000s	
Ashford	4,350	115,002	123,222	7.1
Canterbury	5,610	137,002	143,598	4.8
Dartford	3,030	196,303	198,372	1.1
Dover	3,950	89,837	111,264	23.9
Gravesham	2,270	62,183	64,101	3.1
Maidstone	4,830	143,113	145,721	1.8
Sevenoaks	3,820	88,947	95,041	6.9
Shepway	3,730	73,656	78,665	6.8
Swale	4,410	114,101	119,836	5.0
Thanet	4,930	90,240	94,355	4.6
Tonbridge and Malling	3,600	135,149	144,917	7.2
Tunbridge Wells	4,000	127,103	134,740	6.0
Total Kent	48,520	1,372,636	1,453,832	5.9
Total South East	271,140	8,600,631	9,428,935	9.6
Total England	1,856,450	57,685,499	63,212,289	9.6
Dover excl Tunnel	3,949	74,437	76,264	2.5

- 3.3 The change in Dover in table 3 includes the revaluation of the Channel Tunnel (by some way the largest hereditament in the county) where the rateable value has increased from £15.4m to £35m. Table 3 shows the alternative revised total for Dover excluding the Channel Tunnel. The overall Kent increase would reduce from 5.9% to 4.5% if the Channel Tunnel is excluded. It is also worth noting that the rateable value for the Port of Dover has reduced from £5.25m to £2.75m (the largest reduction in Kent).
- 3.4 An alternative presentation of the changes in rateable value in the South East is shown in the map produced by the VOA attached as appendix 1.
- 3.5 Properties are categorised into one of 4 main groups; retail, industrial, office or other. There are some differences in the assessment of the open market value of properties between these categories, particularly those where the current use is not commercial. Within these broad categories there are a number of special sub categories to distinguish the current use of premises e.g. within the retail category there are separate categories for banks/building societies, hypermarkets/large shops, retail warehouses and foodstores, hairdressing salons, as well as general shops. A full list of the subcategories (and the number of properties and rateable values) is attached as appendix 2 to this report. This is presented in the format reported by VOA.

- 3.6 The national distribution of rateable values in interval bands across the 4 main categories is attached as appendix 3 to this report. This is presented in the format reported by VOA. The analysis shows that the largest increases in rateable values have been in the “other” category where values have increased by 15.9% compared to the national average of 9.6%. Within this properties valued over £51k (the new threshold for the higher multiplier) have increased the most (19.6%). The next highest category is the “office” category, where values have increased by 12.7% (with those properties valued over £51k increasing by 15.6%). Retail increases were 4.8%, with the largest increases for small to medium sized premises with rateable values between £9k and £51k. This has led to a fair amount of national conjecture and commentary that increases could affect the viability of many small local businesses in this category. Increases for industrial properties have been the lowest (4%), once again the largest increases in this sector are those with rateable values between £9k and £51k.
- 3.7 The regional distribution of rateable values in interval bands across the 4 main categories is attached as appendix 4 to this report. This is presented in the format reported by VOA. Table 4 below shows a comparison of the changes in rateable values across the 4 main categories in Kent compared to the South East and England. This reveals some differences, particularly in the relative size of the individual sectors and changes in rateable values. Tables 5 to 8 show the district make-up of each sector I the 12 Kent districts.

Table 4	Number of Properties	2010	2017	Percent Change	Percent of Taxbase
		Rateable Value £000s	Rateable Value £000s		
<i>Retail</i>					
<b>Kent</b>	<b>12,170</b>	<b>467,676</b>	<b>447,745</b>	<b>-4.3</b>	<b>30.8</b>
South East	67,820	2,440,820	2,471,239	1.2	26.2
England	485,440	15,439,866	16,185,154	4.8	25.6
<i>Industrial</i>					
<b>Kent</b>	<b>12,580</b>	<b>338,177</b>	<b>351,429</b>	<b>3.9</b>	<b>24.2</b>
South East	70,220	2,005,498	2,138,900	6.7	22.7
England	474,050	12,756,642	13,272,251	4.0	21.0
<i>Office</i>					
<b>Kent</b>	<b>8,990</b>	<b>154,900</b>	<b>156,711</b>	<b>1.2</b>	<b>10.8</b>
South East	55,680	1,534,370	1,732,008	12.9	18.4
England	365,840	13,425,998	15,137,438	12.7	23.9
<i>Other</i>					
<b>Kent</b>	<b>14,770</b>	<b>411,883</b>	<b>497,947</b>	<b>20.9</b>	<b>34.3</b>
South East	77,430	2,619,943	3,086,788	17.8	32.7
England	531,120	16,062,994	18,617,445	15.9	29.5

Table 5 - Retail	Number of Properties	2010	2017	Percent Change
		Rateable Value £000s	Rateable Value £000s	
Ashford	880	39,968	39,602	-0.9
Canterbury	1,340	56,998	51,042	-10.4
Dartford	950	106,394	99,920	-6.1
Dover	900	18,213	17,366	-4.7
Gravesham	770	21,539	20,385	-5.4
Maidstone	1,050	42,235	37,443	-11.3
Sevenoaks	830	23,105	24,546	6.2
Shepway	1,070	24,776	23,066	-6.9
Swale	980	24,740	24,515	-0.9
Thanet	1,580	37,438	36,831	-1.6
Tonbridge and Malling	650	23,482	23,756	1.2
Tunbridge Wells	1,170	48,787	49,273	1.0
Total Kent	12,170	467,676	447,745	-4.3
Total South East	67,820	2,440,820	2,471,239	1.2
Total England	485,440	15,439,866	16,185,154	4.8

Table 6 - Industrial	Number of Properties	2010	2017	Percent Change
		Rateable Value £000s	Rateable Value £000s	
Ashford	1,370	28,712	29,931	4.2
Canterbury	1,120	18,175	19,564	7.6
Dartford	700	40,433	41,292	2.1
Dover	900	22,090	20,489	-7.2
Gravesham	540	17,592	18,208	3.5
Maidstone	1,320	34,677	36,367	4.9
Sevenoaks	1,120	23,015	24,077	4.6
Shepway	940	12,220	13,338	9.1
Swale	1,470	49,227	51,786	5.2
Thanet	1,220	16,530	17,033	3.0
Tonbridge and Malling	1,000	54,364	56,550	4.0
Tunbridge Wells	890	21,143	22,792	7.8
Total Kent	12,580	338,177	351,429	3.9
Total South East	70,220	2,005,498	2,138,900	6.7
Total England	474,050	12,756,642	13,272,251	4.0

Table 7 - Office	Number of Properties	2010	2017	Percent Change
		Rateable Value £000s	Rateable Value £000s	
Ashford	860	13,080	12,947	-1.0
Canterbury	790	11,566	11,253	-2.7
Dartford	650	14,767	15,564	5.4
Dover	760	10,926	11,386	4.2
Gravesham	290	2,788	2,708	-2.9
Maidstone	1,170	19,769	18,910	-4.3
Sevenoaks	850	17,970	17,764	-1.1
Shepway	500	6,857	7,125	3.9
Swale	650	7,455	7,668	2.9
Thanet	580	4,702	4,918	4.6
Tonbridge and Malling	970	25,830	29,384	13.8
Tunbridge Wells	920	19,191	17,085	-11.0
Total Kent	8,990	154,900	156,711	1.2
Total South East	55,680	1,534,370	1,732,008	12.9
Total England	365,840	13,425,998	15,137,438	12.7

Table 8 - Other	Number of Properties	2010	2017	Percent Change
		Rateable Value £000s	Rateable Value £000s	
Ashford	1,240	33,242	40,741	22.6
Canterbury	2,360	50,263	61,739	22.8
Dartford	740	34,709	41,596	19.8
Dover	1,380	38,608	62,022	60.6
Gravesham	670	20,264	22,800	12.5
Maidstone	1,290	46,431	53,000	14.1
Sevenoaks	1,010	24,858	28,654	15.3
Shepway	1,220	29,804	35,136	17.9
Swale	1,310	32,680	35,867	9.8
Thanet	1,550	31,569	35,572	12.7
Tonbridge and Malling	980	31,473	35,228	11.9
Tunbridge Wells	1,030	37,982	45,591	20.0
Total Kent	14,770	411,883	497,947	20.9
Total South East	77,430	2,619,943	3,086,788	17.8
Total England	531,120	16,062,994	18,617,445	15.9
Dover excl Tunnel	1,379	23,208	27,022	16.4

3.8 These tables and appendices have been produced to provide a general contextual overview. It is not practical to show more detail of the changes for individual properties.

#### **4. Transitional Relief and NNDR Multiplier**

4.1 The NNDR multipliers for 2017/18 have been reduced by 1.8p compared to 2016/17 (47.9p for larger properties and 46.6p for smaller properties). The recalculation allows for the annual inflationary uplift and recalibration to ensure the 9.6% increase in rateable values has no impact on the overall yield. The recalibration of the multiplier also includes the estimated impact of appeals. The government analysis shows that London is the only region which is anticipated to see an overall increase in business rates yield (11%) after taking account of the revaluation, recalibration of the multiplier and estimated impact of appeals.

4.2 The government published consultation on the transitional arrangements to apply from 2017 in order to mitigate the impact of excessive increases and reductions in business rates bills following the revaluation. This consultation was published on 28<sup>th</sup> September and was open for four weeks up to 25<sup>th</sup> October. Previous transitional arrangements have seen increases and reductions progressively phased in over a number of years (with increases and reductions getting larger in successive years). The transitional arrangements have previously allowed greater increases for larger properties (those with a rateable value in excess of £18k) compared to smaller properties.

4.3 The transitional arrangements for the 2010 revaluation allowed a maximum increase of 12.5% for larger properties (maximum reduction 4.6%), and a maximum increase of 5% for smaller properties (maximum reduction 20%) on rates bills due in 2010/11 compared to 2009/10. By 2013/14 these had increased to 25% (annual increase) and 13% (annual reduction) for larger properties, and 15% (annual increase) and 50% (annual reduction) for smaller properties.

4.4 The consultation launched in September 2016 acknowledged that these arrangements could not be repeated in 2017 without compromising the principle that transitional arrangements have to be self-financing i.e. the protection from excessive increases is offset by phasing in reductions. The consultation sought views on two options:

Option 1 included:

- large initial increases for the largest properties (those with rateable value in excess of £100k) of 33% in 2017/18, reducing to 13% by 2021/22
- lesser increases for medium sized properties (rateable value between £20k to £100k) of 12.5% in 2017/18 rising to 25% by 2021/22
- lowest increases for smaller properties (rateable value less than £20k) of 5% in 2017/18 rising to 15% by 2021/22

- reductions would be limited to 4.1% for large and medium sized properties in 2017/18 (rising to 5.9% by 2019/20) and 10% for small properties (rising to 55% by 2020/21)

Option 2 included:

- Changes to the limit on reductions for medium sized properties to 10% in 2017/18 (rising to 25% by 2021/21)
- The additional cost of this larger reduction for medium sized properties compensated by higher increases for large properties of 45% in 2017/18, rising to 50% in 2018/19 and 2019/20.

4.5 This consultation was complicated and in total received 173 responses (89 from ratepayers, 40 from local authorities, etc.). KCC submitted a response which supported the principal of small stepped increases and large stepped reductions for small properties. We supported option 2 which allowed larger reductions for medium sized properties. We also expressed concern about the very large increases for some large businesses, particularly those with small profit margins.

4.6 Following the consultation the government announced a hybrid solution which allowed for the larger reductions for medium size properties from option 2 but also reduced the impact on large properties. The final transitional arrangements are summarised in the extract below.

<b>Final: Transitional Arrangements 2017 revaluation (before inflation) funded by 3 caps on reductions</b>						
	Property Size	2017/18	2018/19	2019/20	2020/21	2021/22
Upwards Cap	Small	5.0%	7.5%	10.0%	15.0%	15.0%
	Medium	12.5%	17.5%	20.0%	25.0%	25.0%
	Large	42.0%	32.0%	49.0%	16.0%	6.0%
Downwards Cap	Small	20.0%	30.0%	35.0%	55.0%	55.0%
	Medium	10.0%	15.0%	20.0%	25.0%	25.0%
	Large	4.1%	4.6%	5.9%	5.8%	4.8%

Note: these are year on year caps on increases. For instance, the maximum increase for small properties over 5 years would be 64%. But a small property with an increase of 7% would reach their full bill in year 2. Medium is above £28,000 rateable value in London and £20,000 elsewhere. Large above £100,000.

## 5. Small Businesses

5.1 Substantial changes to the relief arrangements for small businesses were announced in the Chancellor's March 2016 Budget. This included the permanent doubling of small business rate relief for all properties with a rateable value of £12k or less. This allowed such properties 100% relief from April 2017. Small Business Rate Relief would be available for properties with rateable value of £15k or less on a tapered basis. This would remove business rates of £5,808 for a property with a rateable value of £12k (typically this may be small single story shop, car wash, etc.).

5.2 Previously small business rate relief provided 50% relief for properties with a rateable value of £6k or less, with tapered relief for properties with rateable value up to £12k. Since 2010 this relief has been doubled on a temporary

basis with properties with a rateable value of £6k or less receiving 100% relief, tapering to nil for properties with rateable value over £12k.

- 5.3 Approximately 30,000 of the 48,520 properties on the 2017 Kent list will receive the new 100% relief for a rateable value of £12k or less. A further 3,000 properties will benefit from the tapered relief.
- 5.4 The March 2016 budget also announced that the threshold for the lower small business NNDR multiplier (46.6p in the £ in 2017/18) would be increased from £18k to £51k. This would reduce the business rates for a property valued at £51k by £633. Approximately 12,000 properties on the 2017 Kent list with a rateable value between £12k and £51k will benefit from the lower NNDR multiplier (2.3% reduction in cost of the rates bill).
- 5.5 The March 2016 Budget also announced that the annual inflationary uplift to the multiplier will be based on the Consumer Price Index (CPI) from April 2020. Generally CPI is lower than RPI and this change will benefit all businesses.

## 6. Recommendations

### **Recommendations:**

The Cabinet Committee is asked to note the impact of the 2017 business rates revaluation, including the recalibration of the NNDR multiplier and transitional arrangements, and the additional reliefs for small businesses.

## 7. Appendices and Background Documents

- Appendix 1: Changes in rateable value in the South East Map
- Appendix 2: List of the property subcategories
- Appendix 3: National distribution of rateable values in interval bands
- Appendix 4: Regional distribution of rateable values in interval bands
  
- Change in rateable value of rating lists published by VOA  
<https://www.gov.uk/government/statistics/non-domestic-rating-change-in-rateable-value-of-rating-lists-england-and-wales-2017-revaluation>
- Consultation on the transitional arrangements for the 2017 business rates revaluation  
<https://www.gov.uk/government/consultations/business-rates-revaluation-2017>

### **Contact details**

Report Author(s)

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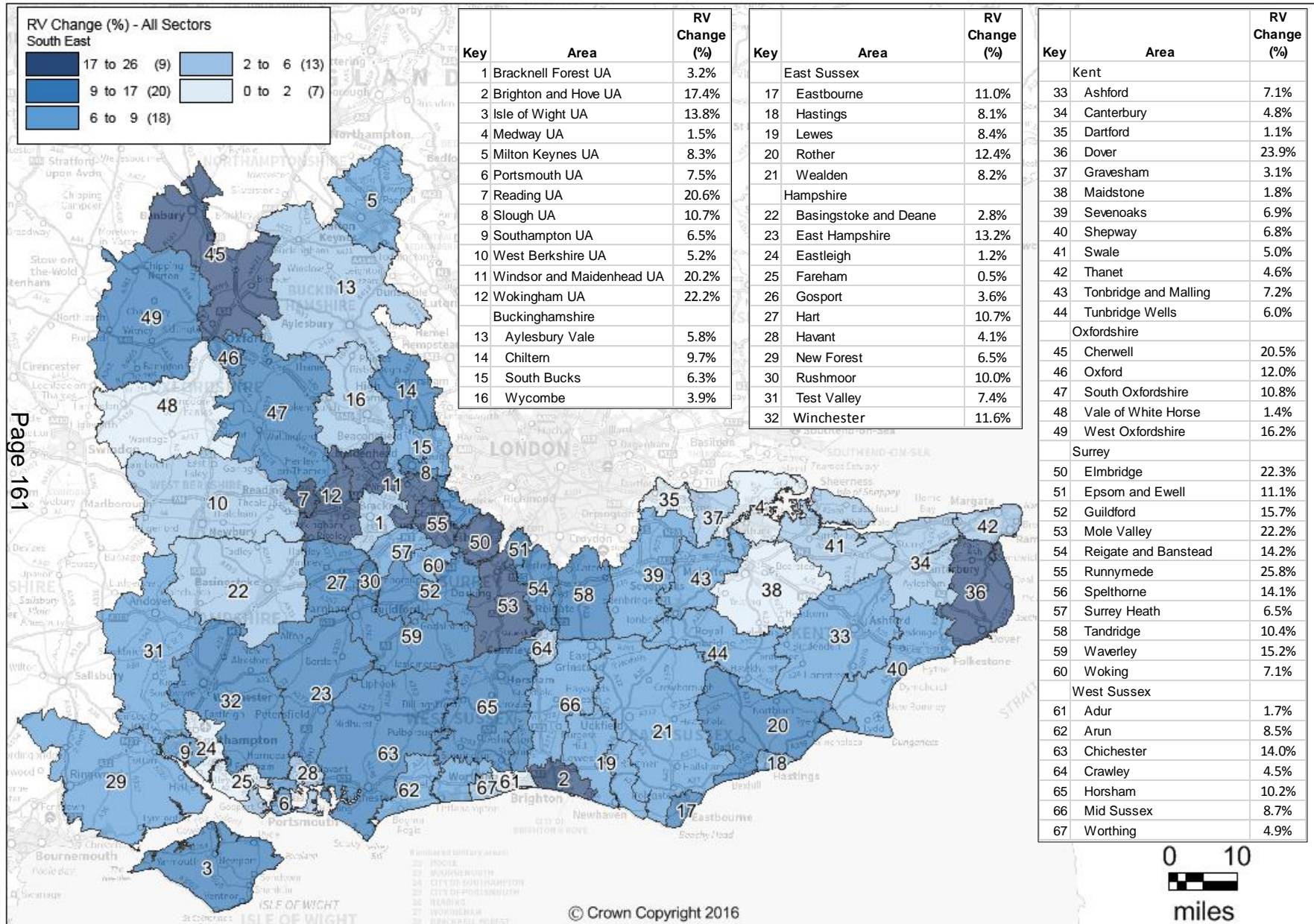
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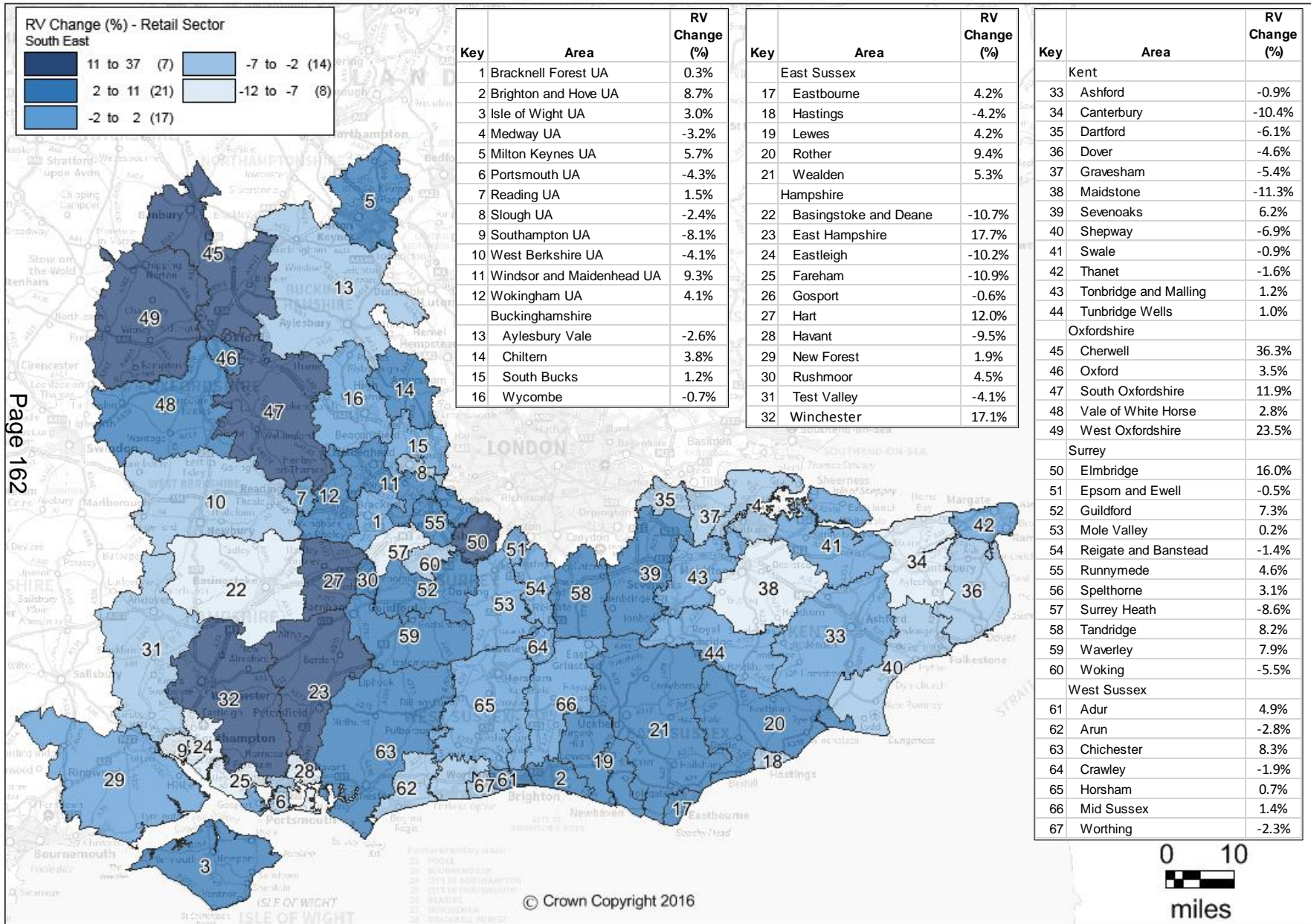


# Percentage Change in Rateable Value in All Sectors for South East as at 25 September 2016



The percentage change in Rateable Value (RV) is based on the total RV of the 2010 Rating Lists and the 2017 Rating Lists in each billing authority after the Revaluation Programme.

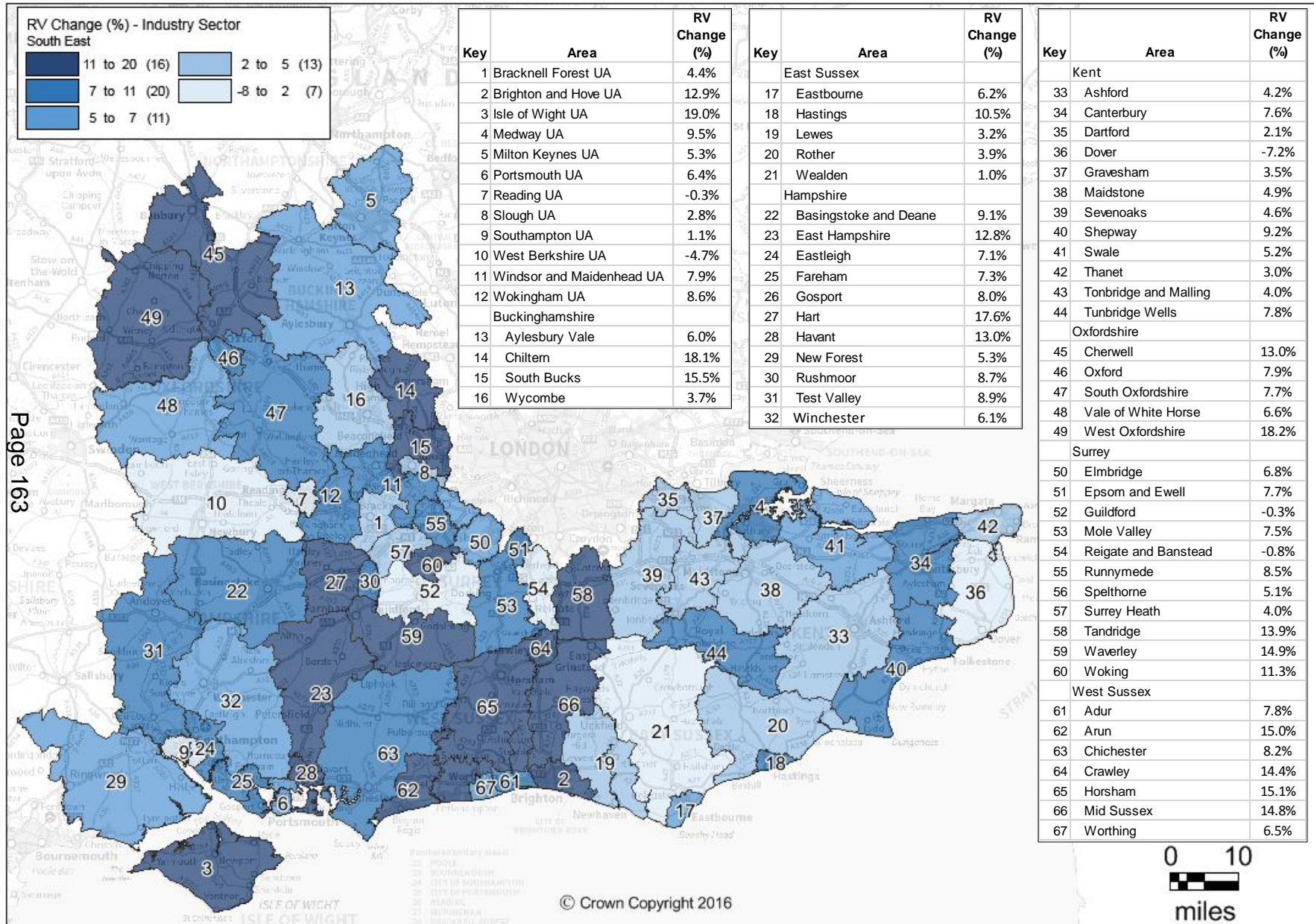
# Percentage Change in Rateable Value in the Retail Sector for South East as at 25 September 2016



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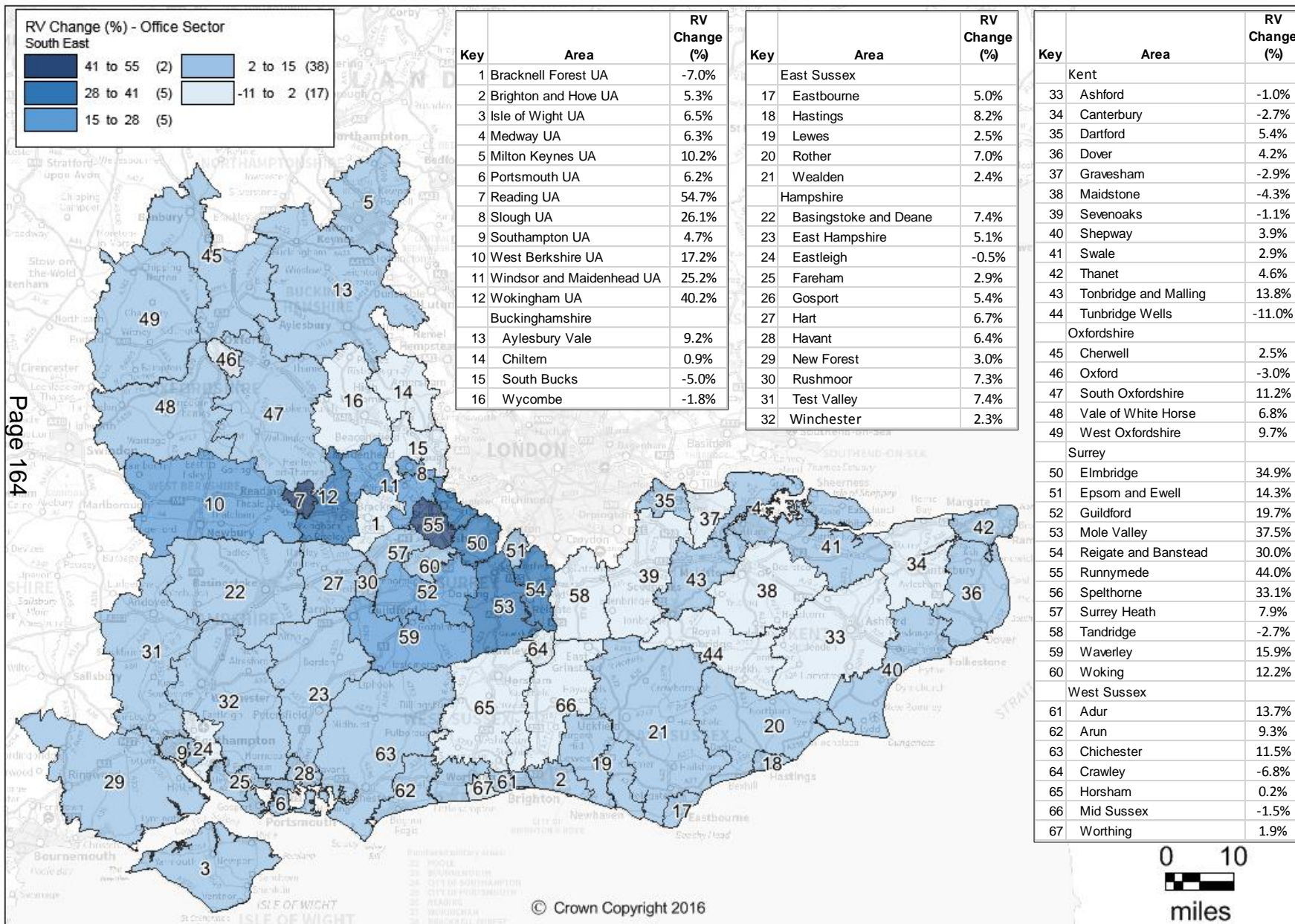
The percentage change in Rateable Value (RV) is based on the total RV of the 2010 Rating Lists and the 2017 Rating Lists in each billing authority after the Revaluation Programme.

# Percentage Change in Rateable Value in the Industry Sector for South East as at 25 September 2016



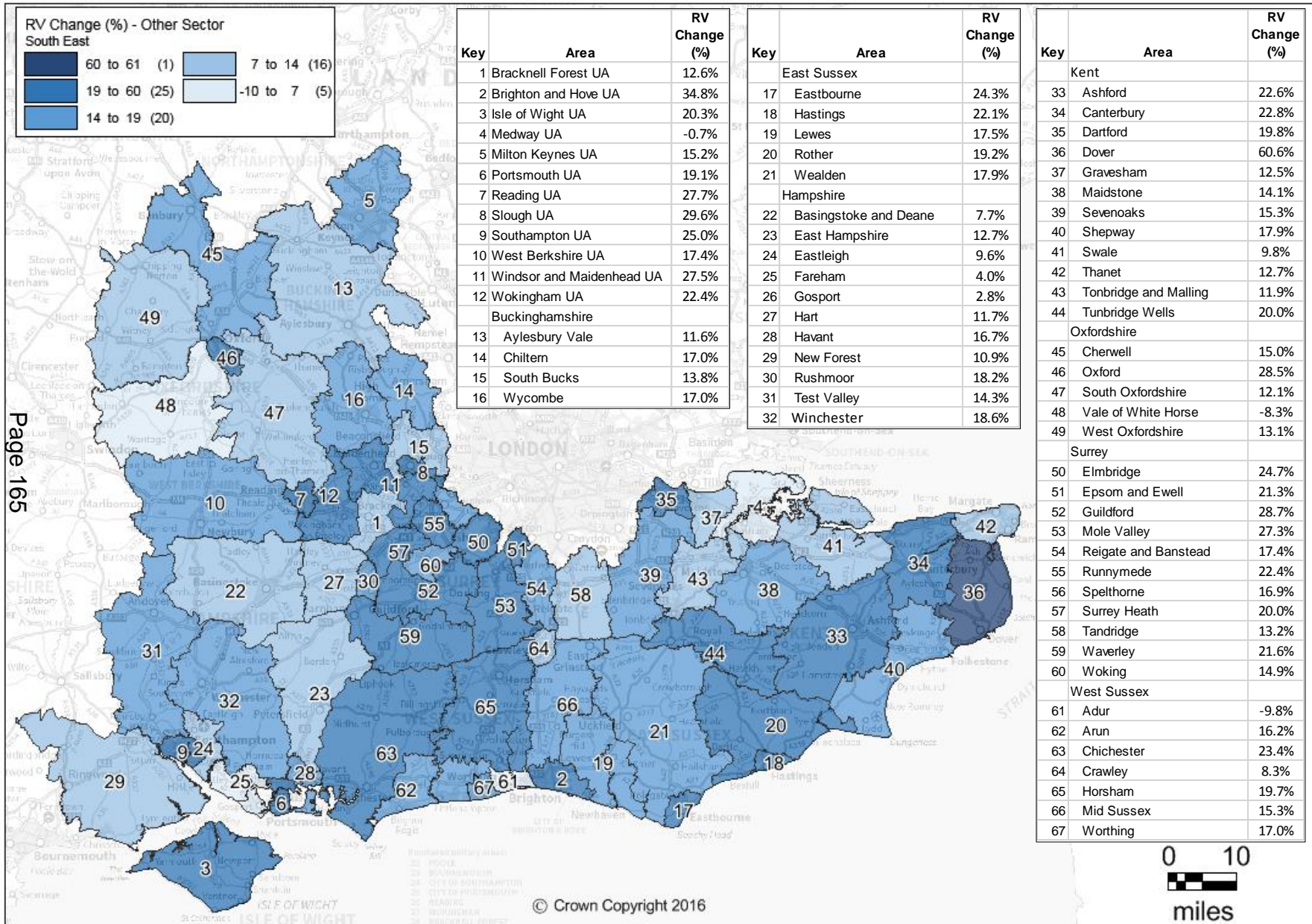
The percentage change in Rateable Value (RV) is based on the total RV of the 2010 Rating Lists and the 2017 Rating Lists in each billing authority after the Revaluation Programme.

# Percentage Change in Rateable Value in the Office Sector for South East as at 25 September 2016



The percentage change in Rateable Value (RV) is based on the total RV of the 2010 Rating Lists and the 2017 Rating Lists in each billing authority after the Revaluation Programme.

# Percentage Change in Rateable Value in the Other Sector for South East as at 25 September 2016



The percentage change in Rateable Value (RV) is based on the total RV of the 2010 Rating Lists and the 2017 Rating Lists in each billing authority after the Revaluation Programme.

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## 2010 and 2017 Revaluation Rating List

Table: Number of rateable properties<sup>1</sup>, total rateable value<sup>2</sup>, average rateable value<sup>3</sup> and percentage change<sup>4</sup> in rateable value by special category<sup>5</sup> and geographical area

Coverage: England

[Table notes and footnotes](#)

Properties (counts), Value (£ thousands),

Average value (£ thousands)

SCat code <sup>6</sup>	Special category description <sup>5</sup>	2010			2017		Percentage Change <sup>4</sup>
		Rateable properties <sup>1</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	
<b>TOTAL</b>		<b>1,856,450</b>	<b>57,685,499</b>	<b>31</b>	<b>63,212,289</b>	<b>34</b>	<b>9.6</b>
<b>RETAIL SECTOR</b>		<b>485,440</b>	<b>15,439,866</b>	<b>32</b>	<b>16,185,154</b>	<b>33</b>	<b>4.8</b>
021	Banks/Insurance/Building Society Offices and Other A2 Uses	9,540	421,241	44	428,175	45	1.6
008	Airport Let Outs	1,480	227,610	154	230,621	156	1.3
024	Betting Offices	4,450	71,025	16	78,631	18	10.7
086	Departmental and Walk Round Stores (Large)	180	205,063	1,121	250,812	1,371	22.3
097	Factory Shops	1,660	103,957	63	140,874	85	35.5
098	Farm Shops	1,270	8,417	7	11,417	9	35.6
106	Food Stores	5,410	146,201	27	186,510	35	27.6
139	Hypermarkets/Superstores (over 2500m <sup>2</sup> )	2,070	2,871,136	1,389	2,712,760	1,312	-5.5
152	Large Food Stores (750 - 2500m <sup>2</sup> )	2,300	389,115	169	445,541	194	14.5
154	Large Shops (750 - 1850m <sup>2</sup> )	430	77,564	181	74,555	174	-3.9
155	Large Shops (Over 1850m <sup>2</sup> )	1,980	998,444	504	1,018,071	514	2.0
210	Pharmacies	1,440	20,625	14	22,817	16	10.6
235	Retail Warehouses and Foodstores	8,400	1,979,386	236	1,891,804	225	-4.4
243	Sales Kiosks	4,320	49,220	11	64,534	15	31.1
249	Shops	403,130	7,386,046	18	8,064,660	20	9.2
251	Showrooms	7,630	201,135	26	238,328	31	18.5
417	Hairdressing/Beauty Salons	19,290	121,368	6	136,175	7	12.2
425	Pharmacies Within/Adjacent to Surgery/Health Centre	1,390	26,813	19	39,308	28	46.6
429	Post Offices	2,340	36,659	16	40,512	17	10.5
442	Takeaway Food Outlet (Predominantly Off Premises)	4,380	33,247	8	37,216	8	11.9
504	Kiosks Within/Part of Specialist Property	170	2,581	15	3,988	23	54.5
507	Salons/Clinics Within/Part of Specialist Property	40	509	12	532	13	4.6
508	Shops Within/Part of Specialist Property	400	9,842	24	11,416	28	16.0
011	Amusement Arcades	720	26,083	36	26,794	37	2.7
165	Markets (Other Than Livestock)	1,020	26,581	26	29,103	29	9.5
<b>INDUSTRY SECTOR</b>		<b>474,050</b>	<b>12,756,642</b>	<b>27</b>	<b>13,272,251</b>	<b>28</b>	<b>4.0</b>
105	Food Processing Centres	220	20,226	90	20,563	92	1.7
110	Foundries	60	7,680	126	7,736	127	0.7
289	Vehicle Repair Workshops and Garages	16,690	195,556	12	212,956	13	8.9
408	Business Units	8,620	81,333	9	106,678	12	31.2
512	Workshops Within/Part of Specialist Property	160	2,136	14	2,401	15	12.4
096	Dairies)	331,560	7,932,846	24	8,302,478	25	4.7
153	Large Industrials (Over 20 000m <sup>2</sup> )	980	741,624	757	746,791	762	0.7
192	Motor Vehicle Works	20	90,899	4,545	88,922	4,446	-2.2
198	Newspaper Printing Works (National Scheme)	40	22,870	558	22,568	550	-1.3
207	Paper Mills	40	28,286	808	27,925	798	-1.3
034	Bullion/Money Stores (National Scheme)	70	10,683	153	10,863	155	1.7
129	High Tech Warehouses	10	559	80	542	77	-3.0
148	Land Used For Storage	20,040	265,585	13	318,541	16	19.9
151	Large Distribution Warehouses	1,220	1,340,907	1,101	1,366,261	1,122	1.9

## 2010 and 2017 Revaluation Rating List

Table: Number of rateable properties<sup>1</sup>, total rateable value<sup>2</sup>, average rateable value<sup>3</sup> and percentage change<sup>4</sup> in rateable value by special category<sup>5</sup> and geographical area

Coverage: England

[Table notes and footnotes](#)

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		Rateable properties <sup>1</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	
217	Post Office Sorting Centres	480	45,939	97	47,890	101	4.2
267	Storage Depots	1,800	84,153	47	87,831	49	4.4
268	Stores	73,560	341,379	5	389,106	5	14.0
301	Wholesale Warehouses	430	79,015	183	83,477	194	5.6
510	Stores Within/Part of Specialist Property	60	371	7	389	7	4.7
511	Warehouses Within/Part of Specialist Property	120	5,832	49	5,817	49	-0.3
068	Computer Centres (Non-Purpose Built)	50	26,282	505	32,005	615	21.8
069	Computer Centres (Purpose Built)	230	84,436	366	90,844	393	7.6
007	Aircraft Works With Airfields	10	16,787	1,865	17,107	1,901	1.9
009	Aluminium Smelting Works	-	..	..	..	..	..
016	Artificial Fibre Works	-	..	..	..	..	..
017	Asphalt Plants	130	17,117	132	20,071	154	17.3
023	Beet Sugar Factories	10	10,180	2,036	9,525	1,905	-6.4
027	Boat Yards	320	6,407	20	7,716	24	20.4
031	Breweries (National Scheme)	190	24,545	127	22,069	114	-10.1
032	Brickworks (Traditional) Clay Tile/Pipe Works	80	18,978	231	20,954	256	10.4
033	Bulk Cement Storage Depots	30	2,994	103	3,206	111	7.1
037	Cable Head End Buildings	-	..	..	..	..	..
050	Cattle Breeding Centres	-	..	..	..	..	..
051	Cement Tile Works	10	2,814	313	2,603	289	-7.5
052	Cement Works	10	17,848	1,373	15,974	1,229	-10.5
055	Chemical Works	130	108,256	859	99,246	788	-8.3
063	Coking and Carbonising Plants	-	..	..	..	..	..
071	Concrete Batching Plants	780	24,668	32	27,515	35	11.5
072	Concrete Block Works	50	10,173	196	9,395	181	-7.7
073	Concrete Product Works	120	22,026	182	21,395	177	-2.9
079	Creameries	30	10,725	383	10,974	392	2.3
087	Distilleries	10	931	116	943	118	1.3
093	Pipelines	40	707	19	736	20	4.2
095	Exhaust and Tyre Centres	2,220	56,436	25	66,140	30	17.2
103	Flour Mills (National Scheme)	60	10,939	182	11,098	185	1.5
113	Garages (Transport and Commercial)	7,220	58,057	8	63,205	9	8.9
127	Hereditals Used For Primary Treatment/Processing Of Minerals	60	6,621	103	6,534	102	-1.3
142	Iron and/or Steel Works	20	74,687	3,112	44,310	1,846	-40.7
158	Livestock Markets (National Scheme)	100	5,956	60	11,079	111	86.0
162	Maltings - Non Trad	10	7,391	528	6,606	472	-10.6
163	Maltings - Trad	10	283	47	292	49	3.2
166	Mechanised Handling Depots	50	6,287	116	7,405	137	17.8
167	Mineral Producing Hereditament - Blockstone	190	3,098	16	3,212	17	3.7
168	Mineral Producing Hereditament - Brine	-	..	..	..	..	..
169	Mineral Producing Hereditament - Chalk	40	3,622	84	3,442	80	-5.0
170	Mineral Producing Hereditament - China Clay	10	4,995	384	6,333	487	26.8
171	Mineral Producing Hereditament - Clay	50	2,046	38	1,985	37	-3.0
172	Mineral Producing Hereditament - Coal	10	1,541	119	1,546	119	0.4
173	Mineral Producing Hereditament - Fluorspar	10	91	18	93	19	2.3



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		Rateable properties <sup>1</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	
174	Mineral Producing Hereditament - Gas	20	753	42	758	42	0.7
175	Mineral Producing Hereditament - Hardrock	210	35,674	169	39,234	186	10.0
176	Mineral Producing Hereditament - Inert	130	3,771	30	3,775	30	0.1
177	Mineral Producing Hereditament - Oil	50	9,609	192	8,368	167	-12.9
178	Mineral Producing Hereditament - Other Mineral Category	10	3,282	365	3,288	365	0.2
179	Mineral Producing Hereditament - Putrescible	170	27,136	160	20,900	123	-23.0
180	Mineral Producing Hereditament - Sand and Gravel	280	30,446	110	35,374	128	16.2
181	Mineral Producing Hereditament - Shale Burnt	80	6,770	85	7,129	89	5.3
183	Mineral Producing Hereditament - Slate	20	517	22	545	23	5.4
187	MOD Hereditaments	500	99,102	197	89,485	178	-9.7
200	Nuclear Establishments	10	63,220	7,024	47,412	5,268	-25.0
205	Oil Refineries	10	79,185	8,798	65,355	7,262	-17.5
212	Pipelines	140	19,442	136	17,583	123	-9.6
218	Potteries	40	6,916	177	7,004	180	1.3
221	Properties Involving Extraction Of Materials For Profit	260	9,141	35	10,384	40	13.6
222	Provender Mills (National Scheme)	100	10,842	111	10,257	105	-5.4
233	Refuse Destructor Plants/Disposal Sites	-	..	..	..	..	..
244	Scrap Metal/Breakers Yard	780	16,964	22	19,212	25	13.3
245	Sea Dredged Aggregate Processing Plants and Depots	30	5,024	152	5,426	164	8.0
247	Ship Building Yards	10	24,630	4,926	23,695	4,739	-3.8
248	Ship Repair Yards	20	2,395	141	2,508	148	4.7
255	Spoil Heap Workings	10	131	15	169	19	28.8
274	Tanneries	10	458	65	515	74	12.5
290	Vehicle Testing Centres (With Test Tracks)	50	11,750	255	11,359	247	-3.3
291	Vehicle Testing Centres (Without Test Tracks)	60	3,377	57	3,509	59	3.9
295	Wafer Fabrications (National Scheme)	-	..	..	..	..	..
297	Waste Incinerator Plants	40	59,995	1,428	54,536	1,298	-9.1
299	Waste Transfer Stations	660	55,002	83	44,375	67	-19.3
400	Abattoirs and Slaughter Houses (Contractors Valuation)	0	.	.	.	.	.
401	Abattoirs and Slaughter Houses (Rental Valuation)	180	13,986	77	14,387	79	2.9
402	Agricultural Research Centres	60	493	8	487	8	-1.2
406	Bus Garages (Contractors Valuation)	210	23,523	113	24,117	115	2.5
407	Bus Garages (Rental Valuation)	140	19,884	141	22,370	159	12.5
422	Pack Houses	20	3,278	173	3,381	178	3.1
423	Peat Fields	40	1,025	24	1,014	24	-1.0
430	Pumping Mines	10	95	8	93	8	-2.2
433	Statutory Docks and Harbours (Formula)	-	..	..	..	..	..
434	Statutory Docks and Harbours (Non-Formula Prescribed)	60	61,139	1,002	66,737	1,094	9.2
435	Statutory Docks and Harbours (Other)	30	4,737	139	6,783	200	43.2
441	Weighbridges	50	279	6	289	6	3.7
502	Garages Within/Part of Specialist Property	20	121	8	141	9	16.4
994	Industrial Miscellaneous	940	74,361	79	82,911	88	11.5
997	Minerals Miscellaneous	130	10,096	81	10,290	82	1.9
	<b>OFFICE SECTOR</b>	<b>365,840</b>	<b>13,425,998</b>	<b>37</b>	<b>15,137,438</b>	<b>41</b>	<b>12.7</b>

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		Rateable properties <sup>1</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	
203	Offices (Inc Computer Centres)	365,220	13,184,087	36	14,868,329	41	12.8
204	Offices (Headquarters/Institutional)	630	241,911	385	269,109	428	11.2
	<b>OTHER SECTOR</b>	<b>531,120</b>	<b>16,062,994</b>	<b>30</b>	<b>18,617,445</b>	<b>35</b>	<b>15.9</b>
004	Agricultural Showgrounds (National Scheme)	40	3,152	75	3,941	94	25.0
012	Amusement Parks	60	5,794	97	6,561	109	13.3
014	Arenas	10	12,169	869	21,524	1,537	76.9
022	Beach Huts	17,930	8,591	0	13,900	1	61.8
025	Bingo Halls (National Scheme)	370	39,123	106	34,006	92	-13.1
026	Bird Sanctuaries	90	795	9	959	11	20.6
028	Bowling Alleys	210	35,053	169	33,327	161	-4.9
029	Bowling Centres (Indoor)	230	6,458	28	6,488	29	0.5
030	Bowling Greens (Outdoor)	1,810	6,158	3	6,335	4	2.9
047	Caravan Parks (Leisure) (National Scheme)	2,770	115,182	42	133,407	48	15.8
048	Caravan Sites and Pitches (National Scheme)	3,120	18,161	6	23,693	8	30.5
049	Casinos and Gambling Clubs	140	53,989	391	62,476	453	15.7
054	Chalet Parks (National Scheme)	130	7,526	58	10,845	83	44.1
056	Cinemas (National Scheme)	530	98,149	184	109,799	206	11.9
060	Clubhouses	4,540	28,494	6	30,234	7	6.1
061	Clubs and Institutions	8,820	104,830	12	135,233	15	29.0
070	Concert Halls (National Scheme)	50	8,029	154	9,552	184	19.0
074	Conference and Exhibition Centres	110	40,729	370	43,907	399	7.8
075	Conference Centres in Country Houses	310	8,440	27	10,605	34	25.7
081	Cricket Centres	10	154	17	167	19	8.1
082	Cricket Grounds (County)	20	5,057	281	7,665	426	51.6
083	Cricket Grounds/Pitches (Non-County)	1,840	8,733	5	9,177	5	5.1
084	Dance Schools and Centres	840	9,832	12	12,174	15	23.8
091	Drive-In Restaurants	720	61,687	86	69,066	96	12.0
092	Drive-Thru Restaurants	1,140	93,175	82	99,517	87	6.8
104	Food Courts	70	4,603	68	4,513	66	-1.9
107	Football Grounds	920	8,072	9	8,358	9	3.5
108	Football Pitches	400	1,556	4	1,671	4	7.5
109	Football Stadia	110	66,375	593	73,288	654	10.4
116	Go Kart Rinks	100	4,258	42	4,899	49	15.0
117	Golf Courses	1,730	103,150	60	104,511	60	1.3
118	Golf Driving Ranges	210	5,494	26	7,027	34	27.9
121	Greyhound Racetracks	40	3,455	99	3,554	102	2.9
125	Health Farms	20	5,523	291	5,715	301	3.5
128	Heritage Railways	80	2,194	27	3,061	38	39.5
132	Horse Racecourses	50	15,203	287	24,088	454	58.4
140	Ice Rinks	30	1,547	55	1,679	60	8.6
145	Lakes With Water Sport Facilities	270	2,788	11	3,947	15	41.6
164	Marinas (National Scheme)	410	18,916	47	21,756	54	15.0
188	Model Villages	20	256	17	259	17	1.2
191	Motor Racetracks	70	7,788	115	8,377	123	7.6

## 2010 and 2017 Revaluation Rating List

Table: Number of rateable properties<sup>1</sup>, total rateable value<sup>2</sup>, average rateable value<sup>3</sup> and percentage change<sup>4</sup> in rateable value by special category<sup>5</sup> and geographical area

Coverage: England

[Table notes and footnotes](#)

Properties (counts), Value (£ thousands),

Average value (£ thousands)

SCat code <sup>6</sup>	Special category description <sup>5</sup>	2010			2017		Percentage Change <sup>4</sup>
		Rateable properties <sup>1</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	
195	Museums and Art Galleries (Contractors)	690	114,199	166	165,576	241	45.0
196	Museums and Art Galleries (Non-Contractors)	930	27,286	29	35,830	39	31.3
199	Night Clubs and Discotheques	1,340	66,902	50	73,658	55	10.1
208	Pavilions	820	2,999	4	3,100	4	3.4
213	Pleasure Piers	30	3,134	98	3,575	112	14.1
214	Point to Point and Eventing Courses	60	221	4	221	4	0.0
216	Polo Grounds	40	630	14	1,157	26	83.7
225	Public Halls	360	8,831	25	10,263	29	16.2
226	Public Houses/Pub Restaurants (National Scheme)	40,380	1,302,923	32	1,494,765	37	14.7
227	Scheme)	410	57,269	139	64,156	156	12.0
229	Racing Stables (National Scheme)	550	9,333	17	14,372	26	54.0
234	Restaurants	25,070	859,389	34	1,062,726	42	23.7
236	Riding Schools and Livery Stables (National Scheme)	3,750	24,012	6	35,532	9	48.0
237	Rifle and Weapons Ranges	490	2,027	4	2,238	5	10.4
238	Roadside Restaurants (National Scheme)	310	8,650	28	9,232	30	6.7
239	Roller Skating Rinks	30	1,075	35	1,137	37	5.8
240	Royal Palaces	20	6,154	385	8,497	531	38.1
241	Rugby League Grounds	40	1,075	28	1,081	28	0.6
242	Rugby Union Grounds	390	7,150	18	7,396	19	3.4
252	Ski Centres	30	3,091	103	3,355	112	8.6
253	Snooker Halls/Clubs	740	12,542	17	13,003	18	3.7
254	Speedway Racetracks	20	293	20	360	24	22.8
256	Sporting Rights	90	37	0	37	0	0.1
257	Scheme)	560	60,448	108	69,532	124	15.0
258	Scheme)	740	195,869	265	188,461	255	-3.8
259	Sports and Leisure Centres (Private)(Dry Only)	690	64,371	94	67,294	98	4.5
260	Sports and Leisure Centres (Private)(Wet and Dry)	630	181,861	289	182,434	290	0.3
261	Sports Grounds	3,580	39,243	11	41,959	12	6.9
262	Sports Stadia	50	36,975	770	41,595	867	12.5
263	Squash Courts	150	2,017	13	2,174	14	7.8
264	Stables and Loose Boxes	4,710	16,065	3	24,613	5	53.2
265	Stately Homes and Historic Houses (National Scheme)	580	5,285	9	7,095	12	34.2
272	Swimming Pools (Local Authority)	400	36,110	90	32,697	81	-9.5
273	Swimming Pools (Private)	140	1,328	9	1,524	11	14.8
277	Tennis Centres	60	5,945	96	7,457	120	25.4
278	Tennis Courts/Clubs	1,260	5,700	5	6,048	5	6.1
279	Theatres (National Scheme)	680	41,282	61	54,335	80	31.6
280	Theme Parks	20	19,436	1,296	25,058	1,671	28.9
283	Totalisators On Horse Racecourses	50	1,311	26	1,579	31	20.4
284	Tourist Attractions	610	32,838	54	45,388	75	38.2
293	Village Halls Scout Huts Cadet Huts etc	15,950	60,874	4	68,612	4	12.7
296	War Games Courses/Misc Ag. Use	300	1,470	5	2,406	8	63.7
303	Wine Bars	920	29,563	32	36,343	40	22.9
304	Zoos and Safari Parks	60	11,769	190	19,498	314	65.7
403	Aquaria	30	3,847	148	5,210	200	35.4

## 2010 and 2017 Revaluation Rating List

Table: Number of rateable properties<sup>1</sup>, total rateable value<sup>2</sup>, average rateable value<sup>3</sup> and percentage change<sup>4</sup> in rateable value by special category<sup>5</sup> and geographical area

Coverage: England

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Properties (counts), Value (£ thousands),

Average value (£ thousands)

SCat code <sup>6</sup>	Special category description <sup>5</sup>	2010			2017		Percentage Change <sup>4</sup>
		Rateable properties <sup>1</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	
405	Boathouses	410	1,770	4	2,197	5	24.2
409	Cafes	13,040	185,044	14	212,001	16	14.6
410	Changing Rooms	250	659	3	665	3	1.0
416	Gymnasia/Fitness Suites	3,100	51,818	17	58,682	19	13.2
421	Miniature Railways	40	158	4	239	6	50.6
426	Pitch and Putt/Putting Greens	90	535	6	719	8	34.3
431	Religious Retreats/Study Centres (Residential)	120	3,772	32	4,100	34	8.7
500	Cafes/Restaurants Within/Part of Specialist Property	210	8,331	39	11,868	55	42.5
503	Gymnasia/Fitness Suites Within/Part of Specialist Property	10	261	29	284	32	9.0
509	Sports and Leisure Centres Within/Part of Specialist Property	50	16,232	345	22,324	475	37.5
993	Leisure Miscellaneous	800	23,020	29	27,190	34	18.1
065	Colleges of Further Education (National Scheme)	1,290	325,668	252	390,764	302	20.0
085	Day Nurseries/Play Schools	11,270	186,597	17	253,143	22	35.7
159	Local Authority Schools (National Scheme)	21,180	1,602,529	76	1,743,239	82	8.8
206	Oxbridge Colleges	130	28,770	221	38,392	295	33.4
223	Public and Independent Schools (National Scheme)	2,680	378,957	142	453,825	170	19.8
288	Universities (Excluding Oxbridge) (National Scheme)	750	440,450	587	674,853	900	53.2
440	University Occupation Within Hospitals	60	9,158	155	12,130	206	32.4
505	Nurseries/Creches Within/Part of Specialist Property	60	1,276	21	1,730	28	35.5
995	Educational Miscellaneous	240	11,278	46	12,897	53	14.4
134	Hospitals and Clinics NHS (National Scheme)	1,250	627,606	502	752,680	603	19.9
135	Hospitals and Clinics (Private) (National Scheme)	580	83,150	143	90,723	156	9.1
436	Surgeries Clinics Health Centres (Contractors Valuation)	4,610	145,255	32	187,892	41	29.4
437	Surgeries Clinics Health Centres (Rental Valuation)	19,220	395,345	21	430,121	22	8.8
062	Coaching Inns	140	5,342	40	6,634	49	24.2
077	Country House Hotels	130	17,786	138	22,046	171	24.0
099	Field Study Activity and Adventure Centres	540	11,198	21	12,851	24	14.8
122	Guest and Boarding Houses	7,140	43,997	6	57,314	8	30.3
130	Holiday Centres	70	52,896	814	65,293	1,005	23.4
131	Holiday Homes (Self Catering)	41,220	146,992	4	212,971	5	44.9
136	Hostels	1,170	19,173	16	23,098	20	20.5
137	Hotels (3 Star and Under)	3,770	164,782	44	247,559	66	50.2
138	Scheme)	3,100	1,171,532	378	1,402,820	453	19.7
160	Lodges (National Scheme)	200	13,716	69	15,344	77	11.9
281	Timeshare Complexes (National Scheme)	70	6,253	95	7,368	112	17.8
067	Community Day Centres	9,330	101,317	11	106,944	11	5.6
156	Libraries	2,710	102,387	38	106,975	39	4.5
057	Civic and Public Buildings (Local Authority Occupations)	860	118,395	138	125,296	146	5.8
411	Coastguard Stations	40	196	5	203	5	3.6
415	Courts (Rental Valuation)	60	23,224	407	22,659	398	-2.4
414	Courts (Contractors Valuation)	340	123,144	359	141,881	414	15.2
215	Police Stations	1,550	153,188	99	171,192	111	11.8
418	Information/Visitor Centres	210	2,429	12	2,716	13	11.8
506	Offices Within/Part of Specialist Property	90	904	10	1,007	11	11.4
001	AA/RAC Service Centres and Boxes	-	..	..	..	..	14.3

## 2010 and 2017 Revaluation Rating List

Table: Number of rateable properties<sup>1</sup>, total rateable value<sup>2</sup>, average rateable value<sup>3</sup> and percentage change<sup>4</sup> in rateable value by special category<sup>5</sup> and geographical area

Coverage: England

[Table notes and footnotes](#)

Properties (counts), Value (£ thousands),  
Average value (£ thousands)

SCat code <sup>6</sup>	Special category description <sup>5</sup>	2010			2017		Percentage Change <sup>4</sup>
		Rateable properties <sup>1</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	
003	Advertising Right	37,210	66,855	2	75,950	2	13.6
010	Ambulance Stations	650	14,111	22	17,491	27	24.0
013	Animal Boarding	150	1,845	13	3,257	22	76.5
015	Army Hereditaments	500	107,766	216	97,299	195	-9.7
039	Car Parks (NCP and Multi-Storey)	1,420	213,615	150	279,138	196	30.7
040	Car Parks (Surfaced Open)	12,190	196,922	16	248,601	20	26.2
041	Car Parks (Unsurfaced Open)	1,080	12,677	12	16,059	15	26.7
043	Car Spaces	44,260	101,604	2	105,940	2	4.3
053	Cemeteries (National Scheme)	2,240	8,772	4	14,842	7	69.2
058	Civic Amenity Sites	620	17,579	29	14,214	23	-19.1
076	Contractors Huts and Compounds	890	7,507	8	9,094	10	21.1
080	Scheme)	260	20,965	82	30,786	120	46.8
100	Film and TV Studios	80	46,180	570	57,151	706	23.8
101	Fire Stations	1,480	80,953	55	94,600	64	16.9
102	Fish Farms	50	344	7	373	7	8.6
996	Formula Assessed Miscellaneous	-	..	..	..	..	..
111	Funeral Parlours/Chapels Of Rest	1,540	17,043	11	21,444	14	25.8
112	Game Farms	110	623	6	754	7	21.1
123	Gypsy Camp Sites (Short Stay)	10	36	7	49	10	38.2
124	Hatcheries/Poultry Farms	10	114	10	171	14	49.0
141	Interactive Telephone Kiosks	20	11	1	11	1	0.0
143	Kennels and Catteries	3,800	15,894	4	27,838	7	75.1
144	Laboratories	450	85,573	189	91,910	203	7.4
146	Land Used For Advertising	730	1,129	2	953	1	-15.6
147	Land Used For Car Boot Sales	120	1,490	13	2,138	18	43.5
150	Landfill Sites	200	9,874	50	8,251	42	-16.4
189	Moorings (Floating Hereditaments)	1,480	5,732	4	7,645	5	33.4
190	Mortuaries	40	803	18	877	20	9.2
197	Navy Hereditaments	60	41,324	725	36,587	642	-11.5
202	Observatories	30	579	18	643	19	11.2
224	Public Conveniences (National Scheme)	3,710	13,821	4	13,121	4	-5.1
228	Public Telephone Kiosks (National Scheme)	980	121	0	121	0	-0.1
230	RAF Hereditaments	90	51,990	591	46,572	529	-10.4
232	Recording Studios	370	7,359	20	8,420	23	14.4
269	Stud Farms	650	4,259	7	8,485	13	99.2
270	Studios	1,240	8,254	7	10,926	9	32.4
285	Training Centre (Non Residential)	750	30,598	41	33,711	45	10.2
292	Veterinary Clinics / Animal Clinics	1,350	23,801	18	26,680	20	12.1
294	Vineyards/Wineries	10	534	41	958	74	79.3
298	Waste Recycling Plants	150	31,337	210	26,914	181	-14.1
302	Windmills	50	42	1	59	1	39.4
420	Lifeboat Stations	120	3,564	30	3,478	29	-2.4
424	Pet Grooming Parlours	360	501	1	563	2	12.5
428	Police Training Colleges	30	7,915	317	11,087	443	40.1
438	Telescope Sites	140	12	0	12	0	4.1

## 2010 and 2017 Revaluation Rating List

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Coverage: England

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Properties (counts), Value (£ thousands),

Average value (£ thousands)

SCat code <sup>6</sup>	Special category description <sup>5</sup>	2010			2017		Percentage Change <sup>4</sup>
		Rateable properties <sup>1</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	
439	University - Ancillary Land or Buildings	60	3,065	55	3,917	70	27.8
501	Car Parking Within/Part of Specialist Property	150	1,088	7	1,299	9	19.4
513	Miscellaneous Within/Part of Specialist Property	20	1,659	75	1,868	85	12.6
992	Commercial Miscellaneous	1,340	30,204	22	32,799	24	8.6
998	Crown Miscellaneous	50	33,896	721	32,327	688	-4.6
999	Miscellaneous	1,210	12,875	11	13,360	11	3.8
018	ATMs	12,720	78,882	6	81,114	6	2.8
019	Auction Rooms	130	7,906	59	10,327	78	30.6
038	Car Auction Buildings/Sites	70	16,662	245	24,547	361	47.3
042	Car Showrooms	5,490	476,624	87	537,388	98	12.7
044	Car Supermarkets	30	11,774	436	12,856	476	9.2
045	Car Washes (Stand Alone)	2,190	22,253	10	26,385	12	18.6
046	Car/Caravan Sales/Display/Hiring Sites	3,130	36,496	12	44,107	14	20.9
114	Garden Centres	2,320	98,171	42	107,850	47	9.9
133	Hospital Let Outs	70	2,693	41	3,390	52	25.9
193	Motorway Service Area Let Outs	130	7,710	61	10,013	79	29.9
194	Motorway and Major Road Service Areas	110	87,672	776	99,046	877	13.0
209	Petrol Filling Stations (National Scheme)	4,890	237,206	49	260,372	53	9.8
211	Photographic Booths	480	1,737	4	939	2	-45.9
250	Showhouses (National Scheme)	2,250	48,977	22	49,239	22	0.5
266	Station Let Outs	360	5,105	14	7,265	20	42.3
419	Land Used for Display	240	2,189	9	2,866	12	30.9
427	Pitches for Stalls Sales or Promotions	7,040	25,462	4	27,864	4	9.4
432	Sales Offices	520	2,766	5	3,342	6	20.8
201	Nursing Homes (Inc. Old Peoples Homes)	110	3,021	27	3,876	34	28.3
220	Prison Service Hereditaments	140	83,349	595	77,387	553	-7.2
286	Training Centre (Residential)	200	45,041	229	45,305	230	0.6
412	Cold Stores	-	..	..	..	..	..
119	Grain Silos	50	3,613	69	3,920	75	8.5
120	Granaries and Intervention Stores	40	2,630	71	2,842	77	8.1
157	Liquid Bulk Storage (Incl Petrol and Oil) (National Scheme)	240	120,700	497	90,076	371	-25.4
404	Archives	30	31,606	958	34,396	1,042	8.8
413	Cold Stores (Rental Valuation)	310	75,280	245	73,289	239	-2.6
005	Air Ports (Minor) (National Scheme)	40	9,284	221	12,831	306	38.2
006	Air Strips (National Scheme)	220	2,551	12	3,538	16	38.7
036	Bus Stations	350	22,475	65	23,466	68	4.4
059	Civil Airports	30	430,255	16,548	393,386	15,130	-8.6
089	Docks and Harbours (Non-Statutory)	90	24,574	279	26,514	301	7.9
126	Heliports	20	1,579	88	1,450	81	-8.2
161	Lorry Parks	680	22,911	34	26,110	38	14.0
231	Railways and Tramways (Non Leisure)	20	45,208	2,379	80,294	4,226	77.6
282	Tolls (Ferries Roads and Bridges)	50	12,151	238	16,794	329	38.2
287	Truck Stops	10	1,562	174	1,480	164	-5.2
066	Communication Stations (National Scheme)	38,330	316,028	8	355,186	9	12.4
088	District Heating Undertakings and Networks	60	3,973	64	4,243	68	6.8

## 2010 and 2017 Revaluation Rating List

Table: Number of rateable properties<sup>1</sup>, total rateable value<sup>2</sup>, average rateable value<sup>3</sup> and percentage change<sup>4</sup> in rateable value by special category<sup>5</sup> and geographical area

Coverage: England

[Table notes and footnotes](#)

Properties (counts), Value (£ thousands),  
Average value (£ thousands)

SCat code <sup>6</sup>	Special category description <sup>5</sup>	Rateable properties <sup>1</sup>	2010		2017		Percentage Change <sup>4</sup>
			Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	Rateable value <sup>2</sup>	Average rateable value <sup>3</sup>	
090	Domestic Fuel Installations	20	83	4	106	5	27.0
094	Electricity Undertakings (Non-Statutory)	2,950	16,194	5	17,413	6	7.5
115	Gas Processing Plants	10	15,458	1,189	12,982	999	-16.0
149	Landfill Gas Generator Sites	250	14,818	59	36,099	143	143.6
219	Power Generators	1,840	534,596	291	433,244	236	-19.0
246	Sewage Works (National Scheme)	4,800	361,082	75	329,682	69	-8.7
275	Telecommunications Cable Networks (National Scheme)	330	136,786	421	412,132	1,268	201.3
276	Telecommunications Switching Centres	10	828	104	737	92	-11.0
300	Water Undertakings (Non-Statutory)	70	188	3	212	3	12.9

Source: VOA administrative data as at 25 September 2016

### Table notes

Special category codes<sup>5</sup> can be viewed by clicking on the plus sign at the top of this column.

Counts are rounded to the nearest 10 with counts of 0 being reported as 0 and counts of fewer than 5 reported as negligible and denoted by '-'

Total and average rateable values are rounded to the nearest £thousand. For counts of 0 the total and average rateable value are reported as not applicable and denoted by '.'. For counts >0 but <5 total rateable value are noted as not available '\*..'. Total and average rateable values larger than £0 and smaller

Totals may not sum due to rounding.

### Footnotes

<sup>1</sup> **Rateable property (also known as hereditament)** - A unit of property that is, or may become, liable to non-domestic rating and thus appears in a rating list.

<sup>2</sup> **Rateable value** - The legal term for the notional annual rent of a rateable property assessed by the VOA. Every property has a rateable value that is based broadly on the annual rent that the property could have been let for on the open market at a particular date (this is 1 April 2003 for the 2005 lists and 1 April 2008 for the 2010 lists).

<sup>3</sup> **Average rateable value** - The mean average of the rateable value: total rateable value divided by total number of rateable properties.

<sup>4</sup> **Percentage Change in Rateable Value** - Difference between the total 2017 Rateable Value and the total 2010 Rateable Value divided by the total 2010 Rateable Value shown as a percentage.

<sup>5</sup> **Special category** - These are the most detailed description of a property and shows the nature of the use of the rateable property.

<sup>6</sup> **Special category code (Scat code)** - A unique code for each special category.

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## 2010 and 2017 Revaluation Rating List

Table 4.0: Distribution of Rateable Properties<sup>1</sup> and Rateable Value<sup>2</sup> by Rateable Band Interval and Sector as at 25 September 2016

Coverage: England

[Table Notes and Footnotes](#)

Properties (counts),

Rateable Value (£thousands)

Rateable Value Interval	All Properties							
	2010				2017			
	Rateable Properties <sup>1</sup>	Percentage of total Rateable Properties	Total Rateable Value <sup>2</sup>	Percentage of total Rateable Value	Rateable Properties <sup>1</sup>	Percentage of total Rateable Properties	Total Rateable Value <sup>2</sup>	Percentage of total Rateable Value
<b>RETAIL SECTOR</b>	<b>485,440</b>	<b>100.0</b>	<b>15,439,866</b>	<b>99.9</b>	<b>485,440</b>	<b>100.0</b>	<b>16,185,153</b>	<b>100.1</b>
£0 - £6,000	184,340	38.0	669,984	4.3	156,930	32.3	599,999	3.7
£6,001 - £9,000	80,450	16.6	598,156	3.9	83,250	17.1	619,931	3.8
£9,001 - £12,000	50,980	10.5	532,595	3.4	56,720	11.7	593,429	3.7
£12,001 - £15,000	30,220	6.2	409,043	2.6	35,350	7.3	478,591	3.0
£15,001 - £51,000	92,780	19.1	2,463,175	16.0	105,840	21.8	2,792,131	17.3
£51,001 and Over	46,670	9.6	10,766,913	69.7	47,350	9.8	11,101,072	68.6
<b>INDUSTRY SECTOR</b>	<b>474,050</b>	<b>99.8</b>	<b>12,756,642</b>	<b>100.0</b>	<b>474,050</b>	<b>100.0</b>	<b>13,272,251</b>	<b>100.0</b>
£0 - £6,000	207,340	43.7	616,829	4.8	190,370	40.2	589,666	4.4
£6,001 - £9,000	61,250	12.9	455,215	3.6	64,460	13.6	479,456	3.6
£9,001 - £12,000	39,560	8.3	413,307	3.2	42,660	9.0	446,160	3.4
£12,001 - £15,000	25,170	5.3	341,329	2.7	27,160	5.7	368,156	2.8
£15,001 - £51,000	96,890	20.4	2,635,507	20.7	103,020	21.7	2,809,422	21.2
£51,001 and Over	43,840	9.2	8,294,455	65.0	46,380	9.8	8,579,391	64.6
<b>OFFICE SECTOR</b>	<b>365,850</b>	<b>100.1</b>	<b>13,425,999</b>	<b>99.9</b>	<b>365,850</b>	<b>99.9</b>	<b>15,137,439</b>	<b>99.9</b>
£0 - £6,000	170,110	46.5	476,256	3.5	160,280	43.8	460,616	3.0
£6,001 - £9,000	41,190	11.3	306,087	2.3	42,590	11.6	316,513	2.1
£9,001 - £12,000	27,330	7.5	286,212	2.1	29,340	8.0	307,148	2.0
£12,001 - £15,000	18,010	4.9	244,196	1.8	18,820	5.1	254,955	1.7
£15,001 - £51,000	67,600	18.5	1,844,516	13.7	70,540	19.3	1,926,353	12.7
£51,001 and Over	41,610	11.4	10,268,732	76.5	44,280	12.1	11,871,854	78.4
<b>OTHER SECTOR</b>	<b>531,130</b>	<b>99.9</b>	<b>16,062,993</b>	<b>100.0</b>	<b>531,130</b>	<b>100.0</b>	<b>18,617,446</b>	<b>100.0</b>
£0 - £6,000	274,720	51.7	620,182	3.9	254,070	47.8	597,435	3.2
£6,001 - £9,000	48,550	9.1	365,338	2.3	52,890	10.0	393,581	2.1
£9,001 - £12,000	36,930	7.0	389,834	2.4	36,370	6.8	384,485	2.1
£12,001 - £15,000	22,920	4.3	311,478	1.9	25,860	4.9	352,179	1.9
£15,001 - £51,000	93,060	17.5	2,535,889	15.8	98,360	18.5	2,721,951	14.6
£51,001 and Over	54,950	10.3	11,840,272	73.7	63,580	12.0	14,167,815	76.1

Source:VOA Administrative Data as at 25 September 2016

## Table notes

Counts are rounded to the nearest thousand with counts fewer than 500 but greater than 0 reported as negligible and denoted by '-'.  
Totals may not sum due to rounding.

## Footnotes

<sup>1</sup> **Rateable Property (also known as Hereditament):** a unit of property that is, or may become, liable to non-domestic rating and thus appears in a rating list.

<sup>2</sup> **Rateable Value -** The legal term for the notional annual rent of a rateable property assessed by the VOA. Every property has a rateable value that is based broadly on the annual rent that the property could have been let for on the open market at a particular date (this is 1 April 2008 for the 2010 lists and 1 April 2015 for the 2017 lists).

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## 2010 and 2017 Revaluation Rating List

Table 3.1: Distribution of Rateable Properties<sup>1</sup> and Rateable Value<sup>2</sup> by Rateable Value Interval and Region as at 25 September 2016

Coverage: England

[Table Notes and Footnotes](#)

Properties (counts),

Rateable Value (£thousands)

Rateable Value Interval	All Properties							
	2010				2017			
	Rateable Properties <sup>1</sup>	Percentage of total Rateable Properties	Total Rateable Value <sup>2</sup>	Percentage of total RV	Rateable Properties <sup>1</sup>	Percentage of total Rateable Properties	Total Rateable Value <sup>2</sup>	Percentage of total RV
<b>NORTH EAST</b>	<b>82,820</b>	<b>100.0</b>	<b>2,165,960</b>	<b>100.1</b>	<b>82,810</b>	<b>100.0</b>	<b>2,145,459</b>	<b>100.0</b>
£0 - £6,000	44,110	53.3	120,700	5.6	41,080	49.6	120,162	5.6
£6,001 - £9,000	9,530	11.5	70,709	3.3	10,610	12.8	78,741	3.7
£9,001 - £12,000	6,020	7.3	62,824	2.9	6,790	8.2	71,219	3.3
£12,001 - £15,000	3,400	4.1	46,072	2.1	3,870	4.7	52,348	2.4
£15,001 - £51,000	12,770	15.4	347,849	16.1	13,600	16.4	372,399	17.4
£51,001 and Over	6,990	8.4	1,517,806	70.1	6,860	8.3	1,450,590	67.6
<b>NORTH WEST</b>	<b>263,130</b>	<b>100.1</b>	<b>6,702,553</b>	<b>100.0</b>	<b>263,140</b>	<b>100.0</b>	<b>6,701,757</b>	<b>100.0</b>
£0 - £6,000	133,090	50.6	380,644	5.7	128,030	48.7	380,000	5.7
£6,001 - £9,000	32,290	12.3	239,668	3.6	34,780	13.2	257,554	3.8
£9,001 - £12,000	20,150	7.7	210,800	3.1	21,370	8.1	223,851	3.3
£12,001 - £15,000	12,120	4.6	164,423	2.5	12,860	4.9	174,262	2.6
£15,001 - £51,000	43,380	16.5	1,174,706	17.5	44,670	17.0	1,212,259	18.1
£51,001 and Over	22,100	8.4	4,532,312	67.6	21,430	8.1	4,453,831	66.5
<b>YORKSHIRE AND THE HUMBER</b>	<b>191,160</b>	<b>100.0</b>	<b>4,784,819</b>	<b>100.0</b>	<b>191,150</b>	<b>99.9</b>	<b>4,785,621</b>	<b>99.9</b>
£0 - £6,000	96,340	50.4	280,703	5.9	89,930	47.0	274,177	5.7
£6,001 - £9,000	24,600	12.9	183,360	3.8	26,710	14.0	198,281	4.1
£9,001 - £12,000	14,670	7.7	153,435	3.2	16,290	8.5	170,723	3.6
£12,001 - £15,000	9,070	4.7	122,799	2.6	9,960	5.2	134,742	2.8
£15,001 - £51,000	30,870	16.1	833,434	17.4	32,590	17.0	876,236	18.3
£51,001 and Over	15,610	8.2	3,211,088	67.1	15,670	8.2	3,131,462	65.4
<b>EAST MIDLANDS</b>	<b>146,810</b>	<b>100.0</b>	<b>3,656,330</b>	<b>99.9</b>	<b>146,820</b>	<b>100.0</b>	<b>3,925,789</b>	<b>100.1</b>
£0 - £6,000	73,950	50.4	212,405	5.8	65,410	44.6	198,867	5.1
£6,001 - £9,000	17,930	12.2	133,437	3.6	20,600	14.0	152,612	3.9
£9,001 - £12,000	11,630	7.9	121,860	3.3	13,200	9.0	138,290	3.5
£12,001 - £15,000	7,210	4.9	97,799	2.7	8,110	5.5	109,977	2.8
£15,001 - £51,000	24,500	16.7	659,507	18.0	27,050	18.4	728,714	18.6
£51,001 and Over	11,590	7.9	2,431,322	66.5	12,450	8.5	2,597,329	66.2
<b>WEST MIDLANDS</b>	<b>194,790</b>	<b>99.9</b>	<b>4,988,465</b>	<b>99.9</b>	<b>194,790</b>	<b>99.9</b>	<b>5,148,782</b>	<b>100.0</b>
£0 - £6,000	94,950	48.7	264,622	5.3	87,730	45.0	254,235	4.9
£6,001 - £9,000	24,410	12.5	181,566	3.6	26,740	13.7	198,630	3.9
£9,001 - £12,000	15,930	8.2	166,864	3.3	17,040	8.7	178,237	3.5
£12,001 - £15,000	9,450	4.8	128,083	2.6	11,050	5.7	150,174	2.9
£15,001 - £51,000	33,220	17.1	892,633	17.9	35,250	18.1	948,546	18.4
£51,001 and Over	16,830	8.6	3,354,697	67.2	16,980	8.7	3,418,960	66.4
<b>EAST</b>	<b>197,330</b>	<b>100.0</b>	<b>5,576,066</b>	<b>100.0</b>	<b>197,330</b>	<b>100.1</b>	<b>5,782,509</b>	<b>100.0</b>
£0 - £6,000	86,910	44.0	235,117	4.2	80,860	41.0	223,863	3.9
£6,001 - £9,000	24,850	12.6	185,156	3.3	26,430	13.4	196,321	3.4
£9,001 - £12,000	17,700	9.0	185,506	3.3	18,230	9.2	191,368	3.3
£12,001 - £15,000	10,630	5.4	144,173	2.6	11,950	6.1	162,432	2.8
£15,001 - £51,000	38,500	19.5	1,042,164	18.7	40,560	20.6	1,098,935	19.0
£51,001 and Over	18,740	9.5	3,783,950	67.9	19,300	9.8	3,909,590	67.6

## 2010 and 2017 Revaluation Rating List

Table 3.1: Distribution of Rateable Properties<sup>1</sup> and Rateable Value<sup>2</sup> by Rateable Value Interval and Region as at 25 September 2016

Coverage: England

[Table Notes and Footnotes](#)

Properties (counts),

Rateable Value (£thousands)

Rateable Value Interval	All Properties							
	2010				2017			
	Rateable Properties <sup>1</sup>	Percentage of total Rateable Properties	Total Rateable Value <sup>2</sup>	Percentage of total RV	Rateable Properties <sup>1</sup>	Percentage of total Rateable Properties	Total Rateable Value <sup>2</sup>	Percentage of total RV
<b>LONDON</b>	<b>301,590</b>	<b>100.0</b>	<b>16,419,047</b>	<b>99.9</b>	<b>301,590</b>	<b>100.1</b>	<b>20,310,982</b>	<b>100.0</b>
£0 - £6,000	94,340	31.3	266,068	1.6	76,260	25.3	210,430	1.0
£6,001 - £9,000	35,850	11.9	269,197	1.6	30,640	10.2	231,051	1.1
£9,001 - £12,000	27,570	9.1	289,581	1.8	28,310	9.4	297,844	1.5
£12,001 - £15,000	18,720	6.2	253,727	1.5	20,700	6.9	280,706	1.4
£15,001 - £51,000	75,090	24.9	2,042,827	12.4	85,470	28.3	2,341,235	11.5
£51,001 and Over	50,020	16.6	13,297,647	81.0	60,210	20.0	16,949,716	83.5
<b>SOUTH EAST</b>	<b>271,160</b>	<b>100.0</b>	<b>8,600,631</b>	<b>100.0</b>	<b>271,150</b>	<b>100.0</b>	<b>9,428,934</b>	<b>100.1</b>
£0 - £6,000	109,510	40.4	321,953	3.7	97,140	35.8	291,394	3.1
£6,001 - £9,000	35,210	13.0	262,722	3.1	37,370	13.8	279,205	3.0
£9,001 - £12,000	24,490	9.0	256,853	3.0	25,650	9.5	268,868	2.9
£12,001 - £15,000	15,520	5.7	210,590	2.4	17,330	6.4	235,200	2.5
£15,001 - £51,000	57,140	21.1	1,555,440	18.1	61,320	22.6	1,675,481	17.8
£51,001 and Over	29,290	10.8	5,993,073	69.7	32,340	11.9	6,678,786	70.8
<b>SOUTH WEST</b>	<b>207,710</b>	<b>100.0</b>	<b>4,791,628</b>	<b>100.0</b>	<b>207,700</b>	<b>100.0</b>	<b>4,982,453</b>	<b>100.0</b>
£0 - £6,000	103,310	49.7	301,037	6.3	95,220	45.8	294,589	5.9
£6,001 - £9,000	26,780	12.9	198,981	4.2	29,310	14.1	217,086	4.4
£9,001 - £12,000	16,650	8.0	174,224	3.6	18,210	8.8	190,820	3.8
£12,001 - £15,000	10,210	4.9	138,379	2.9	11,370	5.5	154,040	3.1
£15,001 - £51,000	34,860	16.8	930,528	19.4	37,240	17.9	996,052	20.0
£51,001 and Over	15,900	7.7	3,048,479	63.6	16,350	7.9	3,129,866	62.8

Source: VOA Administrative Data as at 25 September 2016

### Table notes

Counts are rounded to the nearest thousand with counts fewer than 500 but greater than 0 reported as negligible and denoted by '-'.  
Totals may not sum due to rounding.

### Footnotes

<sup>1</sup> **Rateable Property (also known as Hereditament):** a unit of property that is, or may become, liable to non-domestic rating and thus appears in a rating list.

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From: **Roger Gough, Cabinet Member for Education and Health Reform**

**Patrick Leeson, Corporate Director for Education and Young People's Services**

To: **Growth, Economic Development and Communities Cabinet Committee – 22 March 2017**

Subject: **Kent Wide Area Review 2016/17**

Classification: **Unrestricted**

**Summary:**

This report provides an overview and summary of the Area Review process.

**Recommendation(s):**

The Cabinet Committee is asked to note the progress to date of the Kent Area Review.

**1. Introduction**

- 1.1 The government is seeking to reform post-16 education through a programme of area reviews, intended to cover all FE and Sixth Form colleges, some of which are likely to face closure or merger as a result. The reform is expected to produce fewer, larger and more specialized providers, including a network of new Institutes of Technology.
- 1.2 Each area review is led by a local steering group, composed of a range of stakeholders including local authorities, Local Education Partnerships (LEPS), chairs of governors, and the FE and Sixth Form College Commissioners. Each review will proceed through a number of phases, from an analysis of the current economic and educational situation, to a consideration of options for reform.
- 1.3 The Kent area review began in December 2016. Kent is in the final wave of the national review programme and it is anticipated that this will be completed by April. Currently the Kent review is half way through the process set out in Section 4 of this report; the next meeting of the Steering Group will be identifying and debating potential options.

## **2. Purpose of the Area reviews**

2.1 Each area review should establish the best institutional structure for the locality to offer high quality provision based on the current and future needs of learners and employers within the local area. Reviews should deliver:

- Institutions which are financially viable, sustainable, resilient and efficient, and deliver maximum value for public investment. This is likely to result in a rationalised curriculum; fewer, larger and more financially resilient organisations; and, where practicable, shared back office functions and curriculum delivery systems.
- An offer that meets each area's educational and economic needs. This will mean (a) Local Enterprise Partnerships (LEPs) and local authorities setting out their economic vision for the area and the skills base it will require to succeed; and (b) each area considering how existing provision and delivery structures can be adapted to deliver provision more effectively and efficiently. The reviews will provide a foundation for more effective joint local working, including with the development of local outcome agreements, and with greater devolution of responsibility for adult skills to local areas.
- Providers with strong reputations and greater specialisation. Providers should focus on what they can deliver effectively and to a high standard. An important outcome of each review will be the establishment of clear progression routes to higher level skills. In a number of areas, there is work being undertaken to look at the potential role of Institutes of Technology (IoTs).
- Sufficient access to high quality and relevant education and training for all, including 16-19 year olds, adults and learners with Special Educational Needs and Disabilities (SEND), both those with high needs and those with moderate and low levels of SEND.
- Colleges well equipped to respond to the reform and expansion of the apprenticeship programme. The government's reform and growth aims for apprenticeships will position these as the biggest part of the vocational market. There is an expectation that further education colleges will take a greater share of the apprenticeship training market, alongside other types of providers.

## **3. Governance of Area Review: Role of the Local Steering Group**

3.1 Each review is led by a local steering group composed of a range of stakeholders within the area. Members will include the chairs of governors of each institution (supported throughout the whole review process by their principals or chief executives), the Further Education

(FE) and Sixth Form Colleges (SFC) Commissioners, local authorities, LEPs, the funding agencies and Regional Schools Commissioners (RSC). The Department for Business, Innovation and Skills and the Department for Education will also be represented, either through or alongside the funding agencies, reflecting government's responsibility for protecting students.

- 3.2 The chair of the local steering group has to be someone who is independent from the providers involved in the review.
- 3.3 The local steering group oversees and steers the review work within the national framework. They will be able to call on wider expertise such as the Commissioner's advisers in curriculum and financial matters, as well as experts in areas such as special educational needs and disabilities. The steering group has a critical role in ensuring the coherence of the overall outcome for the locality – including alignment between institutions, with clear professional and technical progression routes that reflect local education and economic need, and are easily understood by young people and adults.
- 3.4 It will be for the governing bodies and LA members in the case of Community Learning and Skills of each individual institution to decide whether to accept the review's recommendations, reflecting their status as independent bodies. Governing bodies therefore are expected to engage proactively in the review process, and in particular to ensure that the analysis covers the options they would wish to be considered, taking account of their legal responsibilities.

#### **4. Kent Wide Area Review Steering Group**

##### **4.1 Membership of the Kent Steering Group**

The Kent wide area review is being led and over seen by a local steering group. The members of the local steering group are as follows:

- FE Commissioners and review team
- FE Principals and Chairs of governors from the Hadlow Group, Canterbury, East Kent, Mid Kent and North Kent Colleges
- KCC Community Learning and Skills
- Kent and Medway local authorities
- SELEP
- SFA (Skills funding agency) and EFA (Education funding agency)
- Regional Schools Commissioner

The Steering Group is chaired by the FE Commissioner as he is independent from the providers involved in the review.

- 4.2 The first phase of the Area review began with an analysis of Kent's current economic and education profile. This included economic priorities, demand for education and training at age 16; progression routes from school to other

education and training; and an overall assessment of funded provision in the area including quality and outcomes. At the first meeting of the Steering group members were asked to put forward data and views on the profile of provision and how this matched to local economic priorities. The data shared with stakeholders includes:

- Population characteristics (economy activity, unemployment, those Not in Employment, Education or Training, levels of higher education, basic skills needs, students with special education needs and disabilities).
- Key local employment sectors and their 'direction of travel' in terms of replacement demand, jobs growth and skill levels needed.
- Any acute skills shortages and skills gaps reported by employers which are relevant to the work of the review.
- 'One-issue' forecasts which are relevant (for example, major construction projects within the region which might impact on demand for skills, business relocations, closures and inwards investment).
- Their overview of the post 16 provider base and the extent to which they see it is meeting current skills needs and able to meet future priorities.

4.3 During January and February 2017 the FE Commissioner's review team undertook field work to provide an analysis of the current post 16 provision including schools and HEIs including local capacity, the quality and outcomes of each institution and relevance to economic need. The Commissioners have also analysed the position of Kent Colleges and KCC's Community Learning and Skills in terms of their quality, curriculum offer, finances and estates. It is not possible to provide details of this field work as this is commercially sensitive information and the review process is still to be completed.

4.4 The next meeting of the Steering group will consider and assess the options for the future. These may include:

- Curriculum options including opportunities for greater specialisation
- New forms of collaboration between colleges, schools and other partners
- Continued Support for the merger of East Kent College and Canterbury College
- Changes to local working practices, commissioning arrangements and the planning of post 16 provision.

These options will then be evaluated by the review delivery team and then formulated into a set of recommendations. Governing Bodies and in the case of Community Learning and Skills KCC Members will be ultimately responsible for deciding whether to accept or agree recommendations in relation their institution. Based on the current plan, for the review will be completed by the end of March 2017.

4.5 Once the recommendations have been agreed, the Steering Group will oversee the implementation and long term detailed monitoring will be undertaken by the funding agencies. The Steering Group will be encouraged to agree how implementation will be monitored locally. It is



intended that the LEP and Local Authorities retain their focus on driving improvements in education and skills and assessing how the

implementation of the recommendations are contributing to improvement in local economic performance.

## **5. Conclusion: Options for Kent**

- 5.1 Details of the delivery options for Kent are still under consideration; therefore it is not possible to provide Members with more information at this stage. However, it is unlikely there will be any new recommendations for structural changes other than the ongoing proposal to merge East Kent and Canterbury Colleges.
- 5.2 The process to date has been extremely positive in developing stronger collaborations with Colleges, by providing a more robust strategic approach to the planning and commissioning of post 16 skills, provision and engaging employers in the process through the LEP.
- 5.3 Further updates will be brought to this Committee at the end of the review process which is anticipated to be mid-April 2017.

## **6. Recommendation(s)**

The Cabinet Committee is asked to note the progress to date on the Kent Wide Area Review.

## **7. Background Documents**

- District Data  
<http://www.kelsi.org.uk/skills-and-employability/14-to-19-25-curriculum-pathways/district-data-packs>
- Area reviews of Post 16 education and training institution October 2016  
<https://democracy.kent.gov.uk/ecSDDisplay.aspx?NAME=SD5078&ID=5078&RPID=12964868>

## **8. Contact Details**

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From: **Roger Gough, Cabinet Member for Education and Health Reform**

**Patrick Leeson, Corporate Director for Education and Young People's Services**

To: **Growth Economic Development and Communities Cabinet Committee - 22 March 2017**

Subject: **Kent and Medway Employer Guilds**

Classification: **Unrestricted**

Past Pathway of Paper: **19 January 2017 Growth Economic Development and Communities Cabinet Committee**

Electoral Division: **Countywide**

**Summary:**

A progress report on the operation of the Kent & Medway Employer Guilds explaining their inception, development, membership, early impact and future priorities.

**Recommendation(s):**

The Cabinet Committee is asked to note the content of the report and endorse the progress of the Guilds to deliver clear outcomes and impact in education/employer engagement.

**1. Introduction**

- 1.1 **Creation and purpose of Guilds.** The central role of the Guilds is to provide an interface between (local) employers and the education (and training) sector. This is in response to requests from employers to provide better links between employers, schools, colleges and training providers. This also meets the government agenda to ensure that through new qualifications, and apprenticeships employers are much more in control of skills training delivery. Membership of the Guild comprises local employers, within a defined sector, and providers that deliver education or training relevant to that sector.
- 1.2 Steps are currently under way to further expand the level of employer recruitment to the Guilds. These include direct contact with relevant employers; newsletters to the sector; contact via Chambers of Commerce and the Federation for Small Businesses; and use of Skills And Employability's links with many employers through existing programmes, such as Kent Supported Employment, Kent Employment Programme and the Assisted Apprenticeships scheme.

- 1.3 The Skills and Employability Service has an effect on the Employer Database bringing together all of the above strands. There are currently over 2,300 employers on this database which is used to keep in regular contact with a wide range of Kent employers, updating them on Guild activities and apprenticeships.
- 1.4 The majority of Guilds were set up at the beginning of 2016 to facilitate employer/education engagement necessary for the delivery of Key Performance Indicators in the 14-24 Learning Employment & Skills Strategy and the Adult Learning Employment & Skills Strategy . These documents provide the framework for the work of KCC's Skills and Employability Service and its strategic partners. The Guilds contribute to KCC's overarching Strategic Objectives:
  - Children and Young People in Kent get the best start in life,
  - Kent Communities feel the benefits of economic growth by being in work, healthy and enjoying a good quality of life.

## **2. Financial Implications**

- 2.1 The South East LEP will be issuing a call for applications for ESF funding relating to employer engagement, in the Autumn. In partnership with Medway, an application will be made to financially support the Guilds. A successful application will enable the Guilds to expand their activities considerably. It is intended that this support would enable Guilds to have dedicated and specialist support.

## **3. Development of the Guilds**

- 3.1 The first Guild (Hospitality and Tourism) was created in 2015 and had an early success with the delivery of the 'Hospitality Conversation' a conference and market place for employers and young people studying courses in the sector. Over 400 pledges for apprenticeships and work placements were made which formed the basis of the Guild's work during 2016.
- 3.2 Subsequently, a further seven Guilds were convened:

Construction and the Built Environment; Engineering and Advanced Manufacturing; Sciences; Land Based Industries; Health and Social Care; Creative and Media; and Financial Services.
- 3.3 The Guilds meet quarterly and are attended by employers, FE and HE college representatives, training providers and schools that offer relevant technical education. Over 150 employers attend the eight Guilds and the mailing list is rapidly growing with many employers showing an interest to join their relevant Guild and offer support to schools and offer activities.
- 3.4 Each Guild is chaired by a local employer and supported by an officer from KCC Skills and Employability Service. The Guilds meet quarterly and have

action focussed sub groups to take forward the actions agreed in the Guild Action Plan.

3.5 Each Guild Action Plan has the following objectives, which each Guild delivers differently:

- Employer led initiatives within educational establishments
- Establishing 'Hub Schools' for each sector
- Creating work experience opportunities
- Creating Apprenticeship opportunities
- Supporting events, including sector careers events
- Communicating activities through CEIAG networks
- Establishing a directory of employers willing to engage
- Regular production of promotional material showcasing the sector
- Capturing and promoting case studies depicting young people's success
- Establishing sector ambassador programmes

An example of a current Action Plan (for the Engineering and Advanced Manufacturing Guild) is attached at Appendix 1.

3.6 In addition to the above objectives, each Guild has been asked to produce a Communications Strategy describing how it intends to widen its membership and communicate the activities of the Guild to the wider sector audience for 17/18.

#### **4. Impact of the Guild**

4.1 In the first year of their operation the Guilds are already having a significant impact in increasing employer engagement with schools, colleges and training providers. This includes:

- Over 3,000 young people have attended sector specific careers events providing young people with the opportunity to make direct contact with employers. In addition many Guild members (employers) will be attending the Kent Choices events in March where 6,000 young people are expected to attend
- Employers have attended 21 school assemblies, explaining their role to over 4,000 young people
- Employers have held workshops providing hands-on practical experience in eighteen schools and four colleges
- Over 300 students from eleven schools have visited local businesses, such as engineering works, building sites and care homes
- 85 work based placements have been arranged for students
- 40 new apprenticeships have been created and each guild is being tasked to contribute to a target of 300 more Apprenticeships from Guild Members in 2017-18

Highlights include:

- Creation of the Carer Adviser Network in 20 Coastal Schools
- 500 young people attended the 'Hospitality Conversation' at Ashford International Hotel, with over thirty employers in a 'market place'. Over 410 'pledges' to provide work placements (310), and apprenticeships (104) were made, and on the day two job offers were made
- 800 students attended a STEM careers event at the Leigh Academies Trust where fifteen employers were present
- The Engineering & Advanced Manufacturing Guild has organised industry based training for staff from five schools
- The Creative and Media Guild has created a partnership between two Theatres and the University of Kent.
- Development of a promotional video for the Health Social Care sector by Mid Kent College.

## **5. Next Steps**

5.1 Each Guild has been asked to contribute towards the following aggregate targets for April 2017 to March 2018 and Guild members are currently working on their contributions to these targets:

- 800 additional work place placements/work experience opportunities
- 300 additional apprenticeships
- 100 new employer – school/college partnerships
- 8 sector based career events
- Representation from every sector at the Kent Choices events

The Action Plans are currently being re-written to include clear targets with defined outcomes consistent with the above targets. These will be available from the end of March.

5.2 The first Kent and Medway Skills Commission conference will be held in March (21<sup>st</sup>) to which all of the Guild Representatives have been invited. There will be over 80 employers and training providers attending.

The conference will include presentations from the Careers Enterprise Company and Business In The Community about national examples of good practice in employer engagement. There will also be opportunities for the Guilds to showcase examples of good practice at the local level.

The Conference will provide a further opportunity for the Kent County Council to promote KCC's new Apprenticeship programme, Made in Kent.

A copy of the agenda for the conference is attached at Appendix 2.

## **6. Conclusions**

The Kent & Medway Employer Guilds are rapidly becoming an important contributor to the Local Authority's desire to have an strong partnership with employers in order to support the skills infrastructure in the County. In their first

year of operation the Guilds have made considerable progress in re-building the partnership between industry and education that has been perceived to be lacking.

As the Guilds build their action plans and commit to clear outcomes and objectives their impact will continue to grow.

## **7. Recommendation(s)**

### **Recommendation(s):**

The Cabinet Committee is asked to note the content of the report and endorse the progress of the Guilds to deliver clear outcomes and impact in education/employer engagement.

## **8. Background Documents**

8.1 14 -24 Learning, Employment & Skills Strategy.

[http://www.kent.gov.uk/\\_data/assets/pdf\\_file/0014/6206/14-24-learning,-employment-and-skills-strategy.pdf](http://www.kent.gov.uk/_data/assets/pdf_file/0014/6206/14-24-learning,-employment-and-skills-strategy.pdf)

8.2 Adult Learning Employment & Skills Strategy.

[http://www.kelsi.org.uk/\\_data/assets/pdf\\_file/0020/54632/Adult-Learning-Employment-and-Skills-Strategy-2015-2018.pdf](http://www.kelsi.org.uk/_data/assets/pdf_file/0020/54632/Adult-Learning-Employment-and-Skills-Strategy-2015-2018.pdf)

## **9. Contact details**

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**Skills and Employability Guild Action Plan  
Progression Document**

**Date of last meeting 5<sup>th</sup> December, 2016. No. of attendees 20.**

**The Keys to its success are as follows:**

- The way it is presented and introduced
- The value it holds to each guild
- Regular review held each quarter
- This document is dated and is viewed as live
- This document is presented to existing guilds and feedback gathered to develop best practice
- That success is shared within the guild's network

**Goals behind the Action Plan:**

- To give each guild a clear direction of travel in order to achieve their objectives
- Employers to review agree and implement the action plan.

Key objectives to March 2017

<b>1</b>	<b>Aspiration: Promote a positive image of the sector and the opportunities</b>
<b>2</b>	<b>Attitude: Develop the employability skills to enable young people to sustain employment in the sector</b>
<b>3</b>	<b>Achievement: Develop a Curriculum offer in Kent that provides young people with appropriate qualifications and skills.</b>

Please note the activities outlined below should link in with the objectives 1, 2 and 3 outlined above

Activity	Start Date	Duration	Cost	Responsibility	Success Criteria / deliverables	Monitoring / Evaluation
1. Employer Led initiatives within educational establishments <ul style="list-style-type: none"> <li>• School visit</li> <li>• Employer Site Visit</li> <li>• Employer supported Interviews</li> </ul>	23/05/2016, 03/11/2016 Sub Groups formed for School Engagement Strategy.	Ongoing.		12 members of the Guild are working on in the two various strategy groups..	Undertaking a mapping exercise of all the bodies supporting the	Employer engagement delivered or offered in:-

<ul style="list-style-type: none"> <li>• Specialist careers events</li> <li>• Master class of a specific aspect/process in the sector</li> </ul>	<p>Employer Engagement Strategy</p>	<p>Ongoing.</p>		<p>Resources from Primary Engineer &amp; Kent &amp; Medway STEM</p>	<p>skills development of the industry and creating apprenticeship opportunities.</p> <p>A first newsletter to promote the sector and Guilds activities was produced in July 2016. A second newsletter was published in December 2016.</p> <p>Exploring schools and up and coming careers events the Guild can support.</p> <p>Developing a supply of resources employers can use in when delivery activities in schools with.</p>	<p>Holmesdale School, Goodwin Academy, The North School, St Simon Stock, Wrotham School, Leigh Academies Trust Herne Bay High School Folkestone Academy, The Norton Knatchbull.</p> <p>See school support document for full details.</p>
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				Primary Engineer to deliver CPD for teachers in schools.	At least 7 coastal schools to be supported, funded through the Careers Enterprise Company by Easter 2017.	Secondary Engineer Fluid Power Challenge offered in:- Dover Christ Church, Goodwin Academy, Hartsdown, Romney Marsh, Oasis, Herne Bay School Folkestone Academy.
2. Regular production and distribution of promotional/informative material showcasing the sector For example: Half yearly newsletter.. Page 195	21/04/2016 and 12/09/2016, 26/02/2017 Guild members sending articles for the newsletter.  30/06/2016. Meeting with the Mason Trust.	First deadline 20/06/16. Newsletter half yearly produced. Second newsletter to be published in December 2016.  Ongoing. To discuss creating a Kent Engineering Guild model of the 'I can be a'	Free.  To be investigated.	Guy Robinson to produce newsletter. All guild members to contribute.  Guy Robinson & Lorraine Kemp (ECITB)	To create an initial newsletter for schools, colleges, employers, parents and young people.	First newsletter published in July 2016.  Second newsletter published in December 2017.  April 2017 Newsletter to be produced focusing on apprenticeship opportunities and advertising apprenticeship vacancies for 2017 year 11, 6 <sup>th</sup>

<p>Creating a KAMEG Guild logo.</p>	<p>01/12/2016. Deadline for first draft.</p>	<p>careers website.  This website to be presented to the main Guild meeting in employer engagement sub group in April 2017.  3 months.</p>	<p>£100.</p>	<p>Andrew Livesey and Mid Kent College students.</p>	<p>Students tasked with creating a logo for the Guild.</p>	<p>form leavers.  15/02/2017 Second draft received and being reviewed.</p>
<p>3. Creating work experience opportunities within the guilds</p> <ul style="list-style-type: none"> <li>• Informing young people of the sector and opportunities that are available and challenging their perceptions and attitudes of the industry</li> <li>• Provide skills and experience to enable the young person to make informed choices.</li> <li>• Encourage employers in the guild to offer meaningful work experience opportunities</li> <li>• Liaise with Kent schools to build better relationships in order to create opportunities for young people</li> </ul>	<p>21/04/2016 Investigating work experience programmes including Industrial Cadets and Crest.  10/11/2016</p>	<p>Ongoing.</p>	<p>For Industrial Cadets indication of £1500 per programme (12 – 15 students).</p>	<p>School Engagement &amp; Employer Engagement Strategy Groups.</p>	<p>School Engagement and Employer Engagement Mission statements to be in place by April 2017.  EBP to present on Crest Programme to enable comparison of the programmes at December 2016 Guild meeting.  Success will be measured on placements delivered.</p>	<p>Work exp. opportunities offered by P&amp;B Metals, Dover Port Authority, MEP and NuSteel.</p>

<p>4. Supporting a pipeline of upcoming events careers events in Kent</p>	<p>Guild members to inform of known and up and coming Careers Fairs and events in schools.</p>	<p>Ongoing to be added to a directory of events once known for academic year 2016/17.</p>		<p>All Guild members.</p>	<p>Events supported in the following schools in 2016:- The Goodwin Academy, St Simon Stock, The North School, Leigh Academies Trust, Homesdale School, Herne Bay High.</p>	
<p>5. Establishing a directory of employers who are happy to engage</p>	<p>20/04/2016. Guild now has a nominated an Industry Chair. Phil Hart from MEP.  Looking to promote Guilds activities with other employers.</p>	<p>Ongoing. Need to build the membership of the KAMEG Guild and establish a directory of employers.  Ongoing. To promote via newsletter, employer visits and events.</p>		<p>Employer Engagement Strategy Sub Group. First meeting 31/10/2016. Second meeting 28/02/2017</p>	<p>To have at least 20 employers engaged with the Guild activities by 2017.</p>	<p>20 employers now engaged with the Guild. 28/02/17.</p>

6. Establishing Ambassador programme for both employers and young people within each guild	12/09/2016 Kent and Medway STEM representatives have joined the Guild. Hellen Ward & Tsige Sherrington, Canterbury Christ Church University.			To discuss within Employer Engagement Strategy Group. Kent & Medway STEM to present to Guild at April 2017 meeting.		
7. Establishing Hub Schools for each sector <ul style="list-style-type: none"> <li>• Hub schools will act as flag bearers for other schools</li> <li>• Will deliver industry related qualifications</li> <li>• Share best practice</li> <li>• Influencing school curriculum pathways in light of sector skill requirement</li> </ul>	15/06/2016. Identify two volunteer Enterprise Advisers to work with Enterprise Co-ordinator.	To be in place completed by 01/01/2017		All Guild members.	To have two Enterprise Advisers working in coastal schools. See school engagement report from 30/01/17.	
Page 198 To capture appropriate case studies depicting the young people's success in the sector	Case studies in process of being created by Guild members for newsletter.	December 2017 newsletter.		All Guild members.		
9. Ensure that the Guilds communicate their activities effectively to the local Careers Education Information Advice and Guidance networks.	01/09/2016 Employer Development Officers to share Guild's activities in CEIAG Network meetings	Ongoing.		EDO's and Participation & Progression Managers.	Schools become aware of the Guilds' activities and ask for support.	Guild offer presented to CEIAG networks across the county.
10. Develop a list of skills and experiences needed by young people in order to access careers within the sector <ul style="list-style-type: none"> <li>• Identifies the skills and experiences to be developed</li> <li>• Provides a process to record the skills and experiences</li> <li>• Provides a process to enable a young</li> </ul>	Guild members to suggest junior and secondary schools who will be happy to have visits by employers and visit employers businesses.	Plans to have a list of schools to work with by 2017.		All Guild members.		

<p>person to reflect on the skills and experiences developed</p> <ul style="list-style-type: none"> <li>• Employability Passport</li> </ul>						
<p>11. Ask employers to share their current apprenticeship programmes to influence future training opportunities</p>	<p>Guild members to advertise their Summer 2017 apprenticeship vacancies in a special newsletter.</p>	<p>Newsletter to be produced for April 2017.</p>	<p>Ongoing.</p>	<p>Employers in the Guild.</p>	<p>At least 15 apprenticeship vacancies to be made available in the newsletter,</p>	

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THE KENT AND MEDWAY

# SKILLS COMMISSION CONFERENCE 2017

## YOU ARE INVITED!

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for more information  
or to book your place,  
please:

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Adams@kent.gov.uk or  
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Tuesday 7 March 2017.

Please inform us if you  
have any special dietary  
or access requirements.

**TUESDAY 21 MARCH**

**MERCURE HOTEL, HOLLINGBOURNE, MAIDSTONE**

Join us to hear about the latest employer/education initiatives including changes to **APPRENTICESHIPS** that could make a big difference to your business!

The Kent and Medway Skills Commission's first annual conference will be held on **Tuesday 21 March 2017 from 8.30am to 12pm** followed by a networking lunch. The venue is the Mercure Maidstone Great Danes Hotel, Hollingbourne, Maidstone ME17 1RE.

The conference will feature:

- Celebrating the work of the Kent and Medway guilds
- Opportunities to hear from national speakers about employer/education initiatives
- The launch of KCC's new apprenticeship programme.

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From: **Mark Dance, Cabinet Member for Economic Development**

**Barbara Cooper, Corporate Director Growth Environment & Transport**

To: **Growth Economic Development & Communities Cabinet Committee - 22 March 2017**

Subject: **Ebbsfleet Development Corporation's Implementation Framework**

Key Decision: **No**

Classification: **Unrestricted**

Electoral Divisions: Dartford East, Dartford Rural, Swanscombe & Greenhithe, Northfleet & Gravesend West.

### **Summary:**

This report provides an update on the current position of the Ebbsfleet Development Corporation's Implementation Framework following the presentation that was given to the Growth, Economic Development & Communities Cabinet Committee on 13 December 2016.

### **Recommendation(s):**

The Growth, Economic Development & Communities Cabinet Committee is asked to consider this report and recommend that the Cabinet Member for Economic Development advise the Ebbsfleet Development Corporation that:

- i) the County Council endorses the Ebbsfleet Implementation Framework as the EDC's statement of ambition for the Garden City, and
- ii) the County Council will work closely with the EDC to secure the necessary infrastructure to deliver well planned housing and economic growth for the benefit of the local community and the wider area.

## **1. Introduction**

1.1 The Ebbsfleet Garden City was announced by the Chancellor of the Exchequer in his budget speech of 2014 along with the formation of a Development Corporation tasked with delivering up to 15,000 new homes at pace. The Ebbsfleet Development Corporation (EDC) was established by Statutory Instrument on 21 April 2015 and its planning powers were granted under a separate Statutory Instrument which came into force on 1 July 2015. As part of the Comprehensive Spending Review and Autumn Statement of 2015 the Government announced the allocation of £310m of capital funding for the EDC covering the 5-year period 2016/17 to 2020/21.

1.2 A presentation by Mr Paul Spooner, Interim Chief Executive of the EDC and Mr Simon Harrison, Head of Design was given to this Cabinet Committee at its meeting on 13 December 2016. The Cabinet Committee noted the presentation given.

## **2. Financial Implications**

- 2.1 There are no direct financial implications to the County Council as a result of the EDC adopting this Implementation Framework.
- 2.2 The Framework will, however, be used by the EDC to support its discussions with developers and it provides the rationale for the EDC's programme of infrastructure investment.
- 2.3 Indirectly the Framework will have implications for the County Council in terms of the delivery of highways and transport improvements where the County Council is either delivering schemes on behalf of the EDC or working in partnership with them to bring schemes forward or in securing further investment. There are also implications for the County Council where it is working with the EDC in relation to land holdings that the County Council has within the EDC area.

## **3. Policy Framework**

- 3.1 The EDC's statement of ambition for the Ebbsfleet Garden City is in line with the County Council's Strategic Statement by aiming to provide: -
  - well planned housing growth with a choice of high quality and accessible services;
  - an uplift to existing communities tackling deprivation through the creation of new jobs, skills development and reducing unemployment; and
  - critical infrastructure that will create the conditions for economic growth.
- 3.2 By continuing to work closely with the EDC the County Council will fulfil a number of the fundamental approaches it has set out in Bold Steps for Kent in particular:
  - featuring prominently in KCC's Commissioning Plan for Education which is supported by on-going discussions with the EDC, local authorities and developers to deliver new primary and secondary school places in Dartford and Gravesham;
  - identifying the transport infrastructure needed to support development, funding opportunities and working in partnership to deliver specific schemes;
  - supporting the EDC with its Healthy New Towns initiative; and
  - linking housing growth with the infrastructure delivery plans of the EDC.

## **4. Development of the Ebbsfleet Implementation Framework**

- 4.1 Prior to the formation of the EDC the Department for Communities & Local Government commissioned consultants to provide a baseline report of key data and information relating to the proposed area for the EDC. This report was published in June 2015. This was then taken forward by the EDC resulting in an Opportunities & Constraints Mapping report, giving an in-depth understanding of the strategic development sites within the Garden City, and a Vision & Scenario Development report that began to define the potential delivery scenarios.

4.2 A Spatial Framework for the Garden City was developed by the EDC through the early part of 2016 resulting in a Draft Implementation Framework being published for public presentation in October 2016. Throughout the process the EDC has engaged with local authorities, key stakeholders, developers and local community organisations. The final version of the Ebbsfleet Implementation Framework was approved by the EDC Board in November 2016.

## 5. Status of the Ebbsfleet Implementation Framework

5.1 The EDC does not have plan-making powers and cannot produce its own development plan (or supplementary planning documents). Moreover, the requirement in primary legislation for the development plan to be the starting point in determining planning applications applies in Ebbsfleet. In determining planning applications the EDC must, therefore, work within the existing planning policy framework as set out in Dartford's Core Strategy (adopted September 2011); Gravesham's Local Plan (adopted September 2014) and KCC's Minerals & Waste Local Plan (adopted 14 July 2016) along with any supplementary planning documents adopted by the local authorities under these plans.

5.2 There are no current plans for either Dartford or Gravesham Borough Councils to adopt the Implementation Framework as a supplementary planning document. It should also be noted that the Implementation Framework has not been subject to the formal public consultation and reporting that is a requirement for adoption of supplementary planning documents. The EDC has confirmed that the Implementation Framework is not intended to be a supplementary planning document but instead is a statement of ambition.

5.3 The EDC seeks the endorsement of the Ebbsfleet Implementation Framework by the local authorities covering the Garden City.

5.4 Both Dartford and Gravesham Borough Council Cabinets considered the Implementation Framework on the 26 and 30 January 2017 respectively. **The reports presented to each Cabinet are shown in Annex A and B to the background document.**

5.5 Dartford BC Cabinet resolved that the EDC be advised:

- i.) that Dartford Council gives its support to the Ebbsfleet Implementation Framework dated November 2016 for providing clarity with regard to the integrated master planning of the whole of the EDC area;
- ii.) that the Council endorses the Ebbsfleet Implementation Framework as guidance for pre-application discussions with developers and a material consideration in determining planning applications but with primacy given to Dartford's Local Plan and Supplementary Planning Documents where there is a conflict between the documents and as a basis for the comprehensive identification of policy requirements;
- iii.) that the Council considers there are some specific areas of non-compliance between the Ebbsfleet Implementation Framework and the Council's policy framework (identified in Table 1 and paragraph 3.16 of the report) but will seek to assist the EDC in resolving these issues when proposals come forward; and

- iv.) the endorsement of the Ebbsfleet Implementation Framework does not imply acceptability of some of the proposals or information shown outside the EDC area.

5.6 Gravesham BC's Cabinet resolved:

“that Cabinet endorses the Implementation Framework as the Ebbsfleet Development Corporation’s statement of ambition.”

The matter was further considered by Gravesham BC's Overview Scrutiny Committee on 9 February 2017 which resolved that the Cabinet's endorsement was noted and proposed the setting up of an EDC Member Liaison Group.

## 6. Key Elements of the Ebbsfleet Implementation Framework

6.1 The Ebbsfleet Implementation Framework comprises four main sections.

**Section 1** provides a succinct update on the project history, the role of the Implementation Framework and the role of the Ebbsfleet Development Corporation in facilitating it.

**Section 2** provides a broad definition of how Ebbsfleet aims to be a 21<sup>st</sup> Century Garden City and provides the framework for defining and evaluating performance against this vision.

**Section 3** outlines the structuring principles for the planning and design of Ebbsfleet.

**Section 4** outlines the approach to the structuring of four Strategic Development Areas (Ebbsfleet Central; Eastern Quarry & Ebbsfleet Green; Northfleet Riverside and Swanscombe Peninsula).

6.2 Further details of the Ebbsfleet Implementation Framework are summarised in **Appendix 1** to this report.

## 7. Further Issues for Consideration

7.1 The majority of the land within the EDC's area is in private ownership and has existing planning consents some of which were granted prior to the formation of the EDC. In the case of the Eastern Quarry and Ebbsfleet development sites, building also commenced prior to the formation of the EDC. The EDC, therefore, has little control over the land and any potential changes to the consented development would be complex.

7.2 An application to vary a number of Conditions to the Ebbsfleet planning consent, which also resulted in a Deed of Variation to the Ebbsfleet s106 Agreement, was granted in February 2016 and effectively separated the Springhead Park quarter from the rest of the Ebbsfleet development. The original consent for Ebbsfleet was granted in November 2002 and outside Springhead Park no other development has taken place.

7.3 In relation to the EDC's statement of ambition for the four Strategic Areas identified in the Implementation Framework (shown in Appendix 1) there are the following specific issues:

**Ebbsfleet Central** – Achievement of the EDC's statement of ambition requires the relocation of the existing surface car parking (5,500 spaces) for Ebbsfleet Station with an allowance to expand to 9,000 spaces. This process, known as Lift & Shift, will have a considerable impact on

development either through the provision of multi-storey car parks or undercroft parking. The planned development between Ebbsfleet and Northfleet stations and around Blue Lake could also have implications for the widening of the A226 Thames Way to dual-carriageway. The scale, density and mix of development (particularly the Central Commercial Area around Ebbsfleet station) are likely to require an application under section 73 of the Town & Country Planning Act 1990 which allows permission to be obtained which does not comply with conditions imposed on a previous planning consent. Such an application is also likely to result in a further Deed of Variation to the Ebbsfleet s106 Agreement.

**Eastern Quarry & Ebbsfleet Green** – There are concerns regarding the proposed mixed-use area at the western end of Eastern Quarry. Its proximity to Bluewater could lead to pressure for complementary retail development, outside the scope of the existing consent, and potentially causing access issues at the Hedge Place roundabout. The changes to the land use disposition (i.e. the location, scale, density and mix of development) are also likely to require a section 73 application to change the existing Eastern Quarry consent which would also result in a further Deed of Variation to the s106 Agreement.

**Northfleet Riverside** – Highway access via Grove Road to the west and Crete Hall Road to the east is constrained with the potential for conflicts between general traffic and the Fastrack route through the Northfleet embankment sites. There are mineral importation wharves within the area which are specifically safeguarded in the recently adopted KCC Minerals & Waste Local Plan 2013-30 in accordance with Policy CSW6. Any new development that either directly affects these wharves resulting in their loss, or are proposed within 250m of them that would jeopardise the continued viable operation of these wharves, would have potentially severe implications for the future security of the supply of imported minerals (aggregates). Reductions in wharf capacity could result in increased use of other, less sustainable, modes of transportation to bring the required quantity of materials into Kent. This may well result in significant increased nett lorry movements around the County for the same quantity of minerals used by the construction industry engaged in maintaining Kent's infrastructure and for development as Kent's population expands.

**Swanscombe Peninsula** – There is a strong reliance on the proposed London Paramount Entertainment Resort even though an application for this development has yet to be submitted.

**Strategic Transport** – There is a strong emphasis within the Implementation Framework on the wider connectivity of the Garden City through its rail connections and location adjacent to the strategic highway network. Whilst there is strong support for the expansion and upgrading of Fastrack, to provide a high quality public transport for local journeys, the EDC also strongly supports the improvement of the A2 Bean and Ebbsfleet junctions and the extension of Crossrail. The EDC has set up a Multi-Agency Strategic Transport Group and is involved with C2G (Crossrail to Gravesend) Group which will be submitting a Strategic Outline Business Case for Crossrail to HM Treasury for the Autumn 2017 Budget Statement. Crossrail has also been submitted for inclusion in Lord Heseltine's Thames Estuary 2050 Commission report.

## **8. Conclusions**

- 8.1 There is merit in the Implementation Framework as a statement of ambition for the overall development of the Ebbsfleet Garden City bringing together a diverse range of existing planning consents and area master plans into a single integrated document.
- 8.2 As the EDC is not a plan-making authority and there is no intention to adopt the Implementation Framework as a supplementary planning document its status for the determination of planning applications remains vague. Whilst the Framework can be considered as a material consideration primacy must be given to the planning policy framework established by the local authorities for the area through their adopted development plans. Where the Framework conflicts with these it would have little weight.
- 8.3 The EDC intends to use the Implementation Framework to inform, shape and support its delivery work. The Implementation Framework underpins the EDC's Corporate Plan and provides the rationale for its investment planning, programme management and place making activities. It is positioned as a statement of intent and ambition by the EDC and not a statutory plan.
- 8.4 Members and Officers will continue to engage and work closely with the EDC as they pursue their statement of ambition as set out in the Implementation Framework.

## **9. Next Steps**

- Completion of a s106 Agreement associated with planning consent granted for mixed-use development at Northfleet Embankment West that will secure amongst other facilities land for the creation of new school playing fields and a contribution that would allow the expansion of Lawn primary school.
- Responding to separate planning applications for commercial and housing development at Northfleet Embankment East to ensure that the necessary infrastructure is provided to support development including the land and contributions for a new primary school that would allow the relocation of Rosherville PS.
- Continue to work with the EDC and other partners on the submission of the Strategic Outline Business Case for the extension of Crossrail.
- Continue to work with the EDC on the delivery of Springhead Bridge, the upgrade of Fastrack and the "Green Corridors Programme", providing improvements to pedestrian and cycle routes in the Garden City, funded through the EDC's capital programme.
- Continued collaboration with the EDC and other health sector partners on the Healthy New Towns programme.
- Engage and work closely with the EDC and developers on the proposed changes to the Ebbsfleet and Eastern Quarry planning consents and any variations needed to the s106 Agreements.
- Continue to work with the Education Funding Authority, the EDC and the developer on the delivery of a new primary Free School at Springhead Park opening in September 2018.



## 10. Recommendations

**The Growth Economic Development & Communities Cabinet Committee** is asked to consider this report and recommend that the Cabinet Member for Economic Development advise the Ebbsfleet Development Corporation that:

- i) the County Council endorses the Ebbsfleet Implementation Framework as the EDC's statement of ambition for the Garden City, and
- ii) the County Council will work closely with the EDC to secure the necessary infrastructure to deliver well planned housing and economic growth for the benefit of the local community and the wider area.

### Appendices

Appendix 1 Summary of Ebbsfleet Implementation Framework

### Background Documents

- Minute 193 of Growth, Economic Development & Communities Cabinet Committee - 13<sup>th</sup> December 2016:  
<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=833&MId=6118&Ver=4>
- **Annex A** - Report to Dartford Borough Council Cabinet, 26<sup>th</sup> January 2017  
<https://democracy.kent.gov.uk/ecSDDisplay.aspx?NAME=SD5052&ID=5052&RPID=12721592>
- **Annex B** - Report to Gravesham Borough Council Cabinet, 30<sup>th</sup> January 2017  
<https://democracy.kent.gov.uk/ecSDDisplay.aspx?NAME=SD5053&ID=5053&RPID=12721661>

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## Summary of Ebbsfleet Implementation Framework

The Ebbsfleet Implementation Framework comprises the following four sections.

### Section 1

Provides a succinct update on the project history, the role of the Implementation Framework and the role of the Ebbsfleet Development Corporation in facilitating it.

The EDC is developing 6 Ways of Working – **Leadership, Engaging, Innovation, Collaboration, Learning, Legacy** – and has set the following delivery tasks: -

<b>Ensuring that growth is locally led.</b>	Development needs to benefit existing residents and communities. If existing planning permissions are re-opened by the developer or landowner, the opportunity will be taken to negotiate an improvement in local impact. Every opportunity will be taken to co-develop community facilities, parks and public spaces with the local community and appropriate stakeholders.
<b>Working with existing consents and current development</b>	A number of landowners and development partners have well advanced plans for housing delivery across Ebbsfleet, many of which have extant planning permissions. Construction has already started in some cases. The EDC will need to work with the developers and landowners to raise standards and increase the pace of construction and ensure that potential development capacity is not wasted.
<b>Ensuring additional outlets for a variety of house types</b>	At present, despite multiple sites, the overall quantum of development permitted is high but completions and delivery are low. Less than 100 homes were delivered during 2015. The task for the EDC is to encourage faster delivery through an increase in the number of development fronts and housing developers and to encourage a widening choice of housing types and tenures.
<b>Increasing the quantum of development</b>	A key objective of the EDC is to optimise the development ambition of all land uses including new housing, employment and social infrastructure. At present there is consent for 10,694 homes within the EDC area with scope for more homes currently without planning permission. The challenge is to increase this quantum through additional sites and delivering high quality, relatively high density neighbourhoods at appropriate locations.
<b>Unlocking infrastructure constraints</b>	A significant barrier to delivery to date has been infrastructure. At present the sites are constrained by the capacity of the transport and utility networks. The EDC must use public money wisely to ensure that development can be unlocked, through the forward funding of critical infrastructure such as utilities and innovative public transport solutions and driving a smart approach to infrastructure provision and management.
<b>London Theme Resort</b>	The proposed Resort is intended to bring significant international investment and create new jobs. Its location on the Swanscombe Peninsula will need to be carefully planned to ensure effective access and connectivity. It is being promoted as a Nationally Significant Infrastructure Project (NSIP). The EDC (as consultee and Ebbsfleet's regeneration agency) is active in helping the developer bring forward the project in a way that will assist the wider locality.
<b>Supporting existing communities, jobs and town centres</b>	The area is characterised by a diverse population with and range of employment activities and two town centres at Gravesend and Dartford together with the regional shopping centre at Bluewater. These existing conditions need to be considered in terms of linkages and synergies. New development at Ebbsfleet should seek to support rather than compete or undermine the existing centres, communities and employment functions.
<b>Creating a fully sustainable community, not a commuter suburb</b>	An effective plan for Ebbsfleet must ensure that its excellent communication links are used to bring jobs and economic growth into the area, that builds upon the proximity of the London market to establish complimentary employment opportunities rather than the area simply becoming a commuter hub serving London. The scope exists to create a centre of excellence and leisure destination for major complimentary economic growth.
<b>Integrating the natural and built environments</b>	Ebbsfleet has a unique natural and man-made landscape setting which present special opportunities for creating a very distinctive development. They also present some constraints which need to be fully understood and accommodated. Appropriate mitigation will be delivered to support the protection of the Special protection Areas (SPA's) and the internationally recognised protected wetlands (Ramsar sites) within the wider North Kent area.

## Summary of Ebbsfleet Implementation Framework

<b>Ensuring a deliverable strategy</b>	Delivering a high quality development at the micro, macro and strategic level, with all the necessary enabling and supporting infrastructure is essential. As much of the land is under private control and there is uncertainty over the London Theme Resort scheme a robust delivery strategy must be developed. This must have short term ambitions to meet the growing need for quicker housing delivery but ensure a long term vision to support the creation of a sustainable and attractive space.
<b>Integrating with the surrounding area.</b>	Ebbsfleet must always be considered within the context of the existing surrounding communities and centres. A successful future outcome will be borne out of overcoming the challenges of current severance. Integration in terms of accessibility and transport, infrastructure and services, green infrastructure, ecological and hydrological corridors are all vital components to a coherent future destination.

### Section2

Provides a broad definition of how Ebbsfleet aims to be a 21<sup>st</sup> Century Garden City and provides the framework for defining and evaluating performance against this vision. The EDC's primary role is to deliver the Ebbsfleet Garden City at pace, to a high quality and to maximise development potential. The Implementation Framework defines the long-term ambition for Ebbsfleet as:

## **Ebbsfleet in 2035.**

**Where London meets the Garden of England**, on the banks of the River Thames, Ebbsfleet exploits its strategic location to continue the tradition of great place-making in the UK; combining the best of urban and rural living and building on the ethos and pioneering spirit of Georgian, Victorian and Edwardian planned communities to deliver a new benchmark for 21st century development including up to 15,000 high quality new homes.

Ebbsfleet is recognised as a place to do business, capitalising on its role as a European high speed rail hub 17 minutes from Central London and two hours from Paris, and benefiting from its proximity to Bluewater and junctions with the M25 motorway and the A2. Up to 30,000 people will work in a green, modern environment around the International Station, which is becoming a magnet for economic growth and a destination of choice for investment and innovation.

Building on the unique landscapes inherited from its industrial legacy where gorges, bridges, tunnels and clefts connect former chalk quarries, Ebbsfleet promotes its identity as a healthy and dynamic place which is seen as a prime destination for recreation and leisure in Kent.

Ebbsfleet embraces its neighbouring communities and towns to create a new civic community connected by modern public transport systems, offering a diverse range of opportunities to live, work and play for people of all ages, backgrounds and incomes. The delivery of well-designed and well-served neighbourhoods, workplaces, schools and town centres ensures that residents enjoy a high quality of life, with easy access to everything they need for healthy and successful lives.

The EDC has set out what it is seeking to achieve through a number of Objectives set out under six Delivery Themes that define the over-arching priorities as follows:

## Summary of Ebbsfleet Implementation Framework

Delivery Theme	Objectives
Quality Homes & Neighbourhoods	1. Promote the delivery of high performing, high quality homes and buildings.
	2. Ensure that the design of new neighbourhoods follows good urban design principles to deliver attractive, safe and efficient layouts that contribute positively towards an appropriate character for Ebbsfleet.
	3. Promote the delivery of a wide range of homes and tenures for all life stages that meet social aspirations including the affordable housing requirements as set out in the planning policies of Dartford and Gravesham Borough Councils.
Enterprising Economy	4. Facilitate the establishment and growth of new and existing businesses providing a mix of sustainable jobs accessible to local people that puts Ebbsfleet on the map as a successful business location.
	5. Maximising locational strength and connectivity to establish a dynamic, vibrant and entrepreneurial commercial centre to provide a regional office hub at Ebbsfleet International to support a targeted inward investment strategy.
Connected People & Places	6. Create and improve safe, integrated and accessible transport systems with walking, cycling and public transport systems designed to be the most attractive form of local transport.
	7. Promote legible networks across Ebbsfleet, from the River Thames to the green belt and from Dartford to Gravesend, in order to help people to connect with each other and between the new and existing communities.
Healthy Environments	8. Build on Ebbsfleet's designation as a "Healthy New Town" to promote healthier lifestyles and to facilitate the delivery of innovative, effective and efficient health services across Ebbsfleet.
	9. Exploit the best of Ebbsfleet's blue and green natural assets to open up the landscape and public realm which will encourage active lifestyles and help to establish Ebbsfleet as a premier destination for recreation and leisure in Kent.
	10. Celebrate Ebbsfleet's cliffs, lakes, waterways, industrial heritage and archaeological assets to create a unique environment which enhances ecological and biodiversity value and creates a stimulating environment which supports positive mental health.
A Civic Community	11. Optimise the quality of life for local people through the provision of accessible social infrastructure (cultural, education, recreational and local shopping facilities) within healthy, well-connected neighbourhoods which are open and accessible to everyone.
	12. Protect, reflect and celebrate the rich heritage of Ebbsfleet's communities through the design of the public spaces, buildings and cultural life to enhance Ebbsfleet as a distinctive place to live where new and existing communities live in harmony and are encouraged to contribute to civic life.
Resilient & Sustainable Systems	13. Identify innovative approaches and new and emerging technology to reduce carbon and to improve the efficiency of urban systems.
	14. Ensure homes and infrastructure is future-proofed to be responsive to everybody's individual and collective needs now and into the future.
	15. Develop a "Garden Grid" to enhance the sustainability and resilience of Ebbsfleet by improving air quality and management of the urban water cycle.

### Section 3

Sets out the structuring principles for development at Ebbsfleet. The Implementation Framework demonstrating that by joining up development sites through a series of shared principles a more integrated and sustainable 21<sup>st</sup>

Summary of Ebbsfleet Implementation Framework

century Garden City could be created. The Implementation Framework sets out the following six structuring principles:

<p><b>Celebrate and reflect Ebbsfleet’s landscape, people and cultural heritage</b></p>	<p>Unifying development by harnessing Ebbsfleet’s unique and hidden landscape and topography to create a distinctive place and identity that is integrated into its existing environment.</p> <ul style="list-style-type: none"> <li>– Natural assets such as the extensive riverside, cliffs, lakes and topography will be celebrated to create a unique environment.</li> <li>– All aspects of existing ecological value across Ebbsfleet will be conserved and enhanced to maximise the ecological and bio-diversity value of the area.</li> <li>– Ebbsfleet’s man-made landscape assets will also be celebrated for their cultural heritage value.</li> <li>– Development will be orientated to maximise short and long distance views and access to the North Kent countryside and Thames waterfront.</li> <li>– “Hidden” rivers will be re-established and used to create public routes to connect to the river Thames.</li> </ul>
<p><b>Bringing in the ‘green’ and the ‘blue’.</b></p>	<p>Bringing the green into development to create a continuous network, enhancing value, amenity, health and environmental conditions.</p> <ul style="list-style-type: none"> <li>– The environment will be shaped by following “Water Sensitive Urban Design” (WSUD) principles integrating urban water cycle management into public realm through high quality design and planning.</li> <li>– Development and infrastructure will respect flood risk zones and be planned to the highest possible resilience to promote a sustainable and long term response to climate change.</li> <li>– Across Ebbsfleet there will be generous provision of formal recreation space through new parks and areas of amenity to create active and diverse environments in new residential and employment areas.</li> <li>– Development will be framed by an integrated blue and green grid that will serve multi-functional purposes to ensure that the environment is accessible, integrated and a defining feature of the urban context.</li> <li>– An early and comprehensive tree planting strategy will be an intrinsic element of all new development.</li> <li>– Across Ebbsfleet opportunities will be promoted for growing food locally in allotments or communal gardens.</li> <li>– Walking routes into the nearby Green Belt countryside will be improved where possible.</li> </ul>
<p><b>Building on connections.</b></p>	<p>Making the most of investment in public transport infrastructure including HS1 and Fastrack and ensuring an integrated and accessible transport system designed to connect new and existing communities.</p> <ul style="list-style-type: none"> <li>– The development of Fastrack as a highly accessible public transport route that links existing and new communities and provides a focus for all development and its density.</li> <li>– Ebbsfleet International station will transform into an urban transport hub with improved interchange to local transport, walking/cycling routes and Northfleet station.</li> <li>– Development will maximise walking and cycling to support healthy living and focus points of convergence at local centres.</li> <li>– Movement networks will be focused to maximise the unique opportunities of the area and seek to re-open historic underpasses, tunnels and bridges.</li> <li>– Streets will be characterised by a hierarchy and designed to have an important role in changing travel habits and reducing the need to travel by car. Streets will be designed to allow for greater shared space to accommodate walking and cycling.</li> <li>– Development will directly respond to the challenges of the existing topography and establish new vertical connections to negotiate level changes to improve pedestrian and cycle links between existing and new communities.</li> <li>– Opportunity to capitalise on Ebbsfleet’s strategic location on the Thames through creating and enhancing river connections.</li> </ul>

## Summary of Ebbsfleet Implementation Framework

<b>Focus around centres</b>	<p>Creating hubs of activity and a commercial centre within Ebbsfleet Central to ensure that existing and new communities are well served by jobs and services.</p> <ul style="list-style-type: none"> <li>- The Ebbsfleet Central commercial core will function as a regional employment centre that responds to the macroeconomic region of Europe and London as well as creating synergies for existing and new local businesses complementing Dartford and Gravesend town centres.</li> <li>- Local centres will be located at points of high accessibility to facilitate the creation of walkable neighbourhoods.</li> <li>- Centres should support economic clustering that supports a full spectrum of business space. Each development will demonstrate how it supports the wider Ebbsfleet economic strategy.</li> <li>- Local centres will be designed with flexibility and respond to local needs. They will offer a wide range of social infrastructure and commercial services to serve the local community.</li> <li>- Co-location and flexibility will be an intrinsic aspect of the planning and design of social infrastructure.</li> <li>- Development will promote efficient maintenance to reduce onward running costs of major new development.</li> </ul>
<b>Efficient neighbourhood design</b>	<p>Making the most of land available for development allows more space for green infrastructure and public amenities and ensures better serviced communities and a more attractive place to live.</p> <ul style="list-style-type: none"> <li>- Larger and greener development blocks with homes facing outwards to the streets and enclosing areas of green space. Hard surfacing should be minimised throughout the urban area.</li> <li>- A layout which is planned and well-ordered but which also includes informal elements, public, private and communal spaces.</li> <li>- Front garden areas that are planned and defined by soft boundary treatments as well as back gardens or shared communal space.</li> <li>- Provision of diverse housing tenure that meets local needs and establishes socially balanced mixed communities.</li> <li>- Promotion of a range of delivery models that encourage diversity and variation in the built form.</li> <li>- The highest standards of urban design and architecture will be promoted to enable neighbourhoods and buildings that respond to their built and natural context.</li> </ul>
<b>Integrated utilities and services</b>	<p>An integrated and sustainable utilities network ensuring homes and centres can develop quickly.</p> <ul style="list-style-type: none"> <li>- Intelligent utility networks with the opportunity for locally decentralised networks will be promoted.</li> <li>- Development will pursue approaches to minimising reliance on and investment required for strategic infrastructure.</li> <li>- Surface water will be managed within the public realm using a variety of Sustainable Urban Drainage Systems (SUDS) techniques.</li> <li>- Development should promote the potential for renewable technologies.</li> <li>- Development should promote on-site treatment of waste including composting and recovery.</li> </ul>

**Headline Figures:** 12,842 new homes  
27,993 resultant population  
13FE (“forms of entry”) primary school provision (2,730 places)  
8FE secondary school provision with the potential for a further 6FE (2,100 places)  
82 hectares of employment and commercial land  
564,480m<sup>2</sup> of commercial floorspace  
70,310m<sup>2</sup> of retail floorspace  
up to 32,000 jobs

## Summary of Ebbsfleet Implementation Framework

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### Section 4

Four distinct areas have been established to promote and co-ordinate development across the Ebbsfleet area. These are: -

#### **Ebbsfleet Central**

The heart of Ebbsfleet running along the Ebbsfleet river valley with Ebbsfleet International Station at its core. This area comprises the Station Quarters North and South, Northfleet Rise and Springhead Quarter as defined within the Ebbsfleet planning consent promoted by EIGP. The Implementation Framework seeks to establish a vibrant and dynamic centre and a major commercial hub supported by a diverse mix of residential, educational and leisure uses with associated bars, restaurants and convenience shopping to create an active and lively street scene.

#### **Eastern Quarry & Ebbsfleet Green**

A series of four urban villages to the west of Ebbsfleet Central, Eastern Quarry and Ebbsfleet Green provide residential focused development around local centres. All four villages will be linked by Fastrack to provide a fast and frequent service to Ebbsfleet Central, Bluewater, Dartford and Gravesend. This area includes development consented under the Ebbsfleet Green and Eastern Quarry planning permissions.

#### **Northfleet Riverside**

Ebbsfleet's adjacency to the banks of the Thames affords the opportunity for a number of exciting new waterside residential neighbourhoods to be developed along the embankment within the historic settlement of Northfleet. These areas will include residential and employment uses on former industrial land within the Northfleet Embankment East and West sites with a focus on opening up continuous public access to the Thames and reconnecting with Gravesend to the east and Swanscombe Peninsula and Dartford to the west.

#### **Swanscombe Peninsula**

This dramatic sweep of land to the north of Swanscombe lies between Ingress Park and Northfleet and is the site being considered for the emerging London international theme resort.

For each of these areas the Implementation Framework provides a description of the site, the existing planning policy, the existing development proposals and the opportunities and constraints.

A plan of the vision/ambition for each area is set out together with area guidelines which have been replicated below. With the exception of Swanscombe Peninsula additional information is provided for: -

- Access & Movement
- Centres & Community Facilities
- Open Space & Landscape

For Eastern Quarry & Ebbsfleet Green there is additional information regarding urban form. An overview of the London Entertainment Resort is provided in the section on Swanscombe Peninsula whilst the access road to the resort is identified as an issue for further consideration in the section on Ebbsfleet Central.

## Summary of Ebbsfleet Implementation Framework

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### Priority Interventions

The Implementation Framework identifies a number of priority interventions that are expected to catalyse the transformation of the area. These are primarily within the Ebbsfleet Central area and Eastern Quarry and include:

- Co-develop the initial phases of the parking re-structuring to create development platforms in Northfleet Rise and Station Quarter North and South (“Lift & Shift”)
- Deliver Springhead Bridge to improve eastern connectivity.
- Scope the first phase of the utility corridors/utility hub.
- Deliver enhancements to key pedestrian/cycle connections as part of the Northfleet Station development.
- Develop planning for Central Park on the landfill site.
- Investigate the opportunity for creating development platforms adjacent to Blue Lake through the re-alignment of the A226 Thames Way.
- Investigate approach to providing public access and managing health and safety issues around Blue Lake.
- Create platforms for Starter Homes and Private Rented Sector as part of the mixed-use development at Ebbsfleet Central.
- Provision of Fastrack corridor.
- Potential for leisure and recreation as well as education, civic or cultural buildings on Blue Lake.
- Potential interchange to accommodate London Entertainment Resort arrivals and departures at Ebbsfleet International station.
- Upgrade Swanscombe station to improve access and increase capacity.
- Continue to support the delivery of the Fastrack route through Eastern Quarry.
- Work collaboratively with landowners and developers to agree a shared approach to master planning and design principles for buildings and public spaces.
- Highway improvements.



Summary of Ebbsfleet Implementation Framework

EDC's Vision for Ebbsfleet Central



The EDC's ambition for Ebbsfleet Central is: -

- To create an urban heart for Ebbsfleet that is complimentary to the offer provided at Dartford and Gravesend town centres and Bluewater.
- To create a commercial core by attracting a diverse range of employment opportunities, maximising the Enterprise Zone status. Flexibility will be retained to encourage inward investment including the targeting of meditech, bio-sciences and the tech sectors.
- The provision of city-wide social infrastructure including health facilities, a potential secondary school and higher education.
- A transport hub will be developed connecting Ebbsfleet International and Northfleet stations providing interchange with Fastrack and the local bus network as well as the potential requirement to accommodate London Entertainment Resort visitors.
- Pedestrian and cycle linkages will be improved from surrounding communities, in particular Swanscombe and Northfleet. Improved cycle facilities will be encouraged as part of the transport hub.
- High density, mixed-use, urban development providing a range of jobs, homes, community and cultural facilities.
- Major new parks will be developed around "Ebbsfleet Central Park" on the former Bakers Pit, along the Ebbsfleet River and around Blue Lake.
- High density residential development will be promoted in Station Quarter North and South which may introduce Starter Homes and Private Rented Sector (PRS) not within the current planning consent.
- Provision of utilities infrastructure including a proposed "utility hub" and consideration of potential centralised heating, cooling and energy networks.
- To ensure consistent public realm and building interface with the wider Ebbsfleet area to encourage a consistent sense of place and orientation to the surrounding area.
- To improve connectivity into and through the area, including the provision of Springhead Bridge, bringing the "Ebbsfleet Plaza" bridge into use and considering further pedestrian and cycle connections to overcome the severance created by rail, river and topography.
- To facilitate the re-provision of 5,500 spaces for Ebbsfleet International (and provide for up to 9,000 in total) through architectural solutions including multi-storey and under-croft parking that are concealed within the urban realm.
- To consider the potential for additional development platforms through re-positioning of Thames Way facing onto the Blue Lake and Northfleet Waste Water Treatment Works.
- Provision of local centres to serve the new communities in Station Quarter North and South, and Northfleet Rise served by the Fastrack network and connected to the Commercial Core/Transport Hub by high quality walking and cycling routes.

Summary of Ebbsfleet Implementation Framework

EDC's Vision for Eastern Quarry & Ebbsfleet Green



The EDC's ambition for the planned villages of Castle Hill, Western Cross, Alkerden and Ebbsfleet Green is:

**Quality Homes & Neighbourhoods**

- Maximise existing consents to deliver a combined total of up to 7,200 homes across the strategic development area.
- Provide a diversity of housing types and tenures.
- Use the landscape to define scale, layout and distinctive identities for each of the four villages.
- To work with development partners to ensure development that is land efficient and to maximise the number of new homes delivered within the existing consents.
- Develop block structures, street layouts and building typologies that use the topography, accommodate parking efficiently and promote active, attractive and safe streets and public spaces.

**Healthy Environments**

- Work with the existing topographical, water, ecological and landscape features to create a unique and high value place to live and invest.
- Integrate within the city-wide Green Grid to establish a connected network of landscapes and open spaces.
- Utilise water sensitive design approaches appropriate to the quarry location.
- Ensure high quality landscape and open spaces that provide a healthy environment for local residents.

**Civic Community**

- Establish four local centres, in accordance with the planning consents, providing the day-to-day needs of local residents within walking distance of homes. To include a primary school, local retail, healthcare and other community facilities.
- To provide a new Secondary School and education campus.

**Connected People & Places**

- To provide high levels of accessibility to public transport routes with a dedicated public transport spine linking Ebbsfleet International to Bluewater, preferably via existing tunnels.
- To ensure clear connections between individual development sites with clarity and consistency of place rather than a series of distinct housing areas.
- Establish a network of safe and attractive walking and cycling routes that link neighbourhoods with local centres, Bluewater, Swanscombe and Ebbsfleet Central.

Summary of Ebbsfleet Implementation Framework

EDC's Vision for Northfleet Riverside



The EDC's ambition for Northfleet Riverside is:

- To retain where possible existing employment and develop new employment activities within the identified enterprise zone.
- To make the most of existing economic assets including deep-water wharves and rail heads, Red Lion Wharf and the Sun Inn.
- To open up public access to the waterfront where possible and provide enhanced public realm.
- To use Northfleet Harbour (Robins Creek) as a focus for activity and regeneration in Northfleet Embankment West.
- Protect and conserve Aspdins Beehive Kiln (a Scheduled Ancient Monument) thought to be the oldest Portland cement kiln in the world.
- To make the most of the heritage in Northfleet Embankment East with references to the Rosherville Pleasure Gardens, the link to Landsdowne Square Conservation Area and bringing buildings such as the Henley Works office and the old Sun Inn pub into complimentary uses.
- To develop around 532 homes within Northfleet Embankment West and around 700 homes at Northfleet Embankment East making the most of the views across the Thames.
- To provide new primary school provision at Northfleet Embankment East and expand provision at the Lawn Primary School.
- To provide waterfront activities including retail, food and beverage and associated cultural activities.
- To improve connections between existing communities and the waterfront through Fastrack access, improved public realm, wayfinding and routes including measures to overcome topographic barriers.
- Consider opportunities for additional housing on smaller under-used sites and invest in improvements to the existing area.

Summary of Ebbsfleet Implementation Framework

EDC's Vision for Swanscombe Peninsula



In responding to development proposals for Swanscombe Peninsula the EDC will seek to ensure:

- That existing ecological assets are retained where possible and sufficient ecological mitigation is made either within the Peninsula or off site in liaison with Natural England and the Environment Agency.
- That flood risk is fully taken into account and the risk of flooding in other locations is not exacerbated by proposals.
- Full public access is retained to the Thames waterfront with enhanced recreational walking and cycling facilities.
- The capacity and resilience of the A226 and the associated local road network is considered together with the provision of dedicated Fastrack routes.
- Pedestrian and cycle connections are made into the scheme from the surrounding communities enhancing access to jobs and public facing amenities provided by the London Entertainment Resort.
- That existing employment is retained if appropriate or relocated to other locations in Dartford and Gravesham where possible.
- That noise, air quality and other impacts generated by the London Entertainment Resort are minimised on surrounding residential areas.

Existing habitats within the Swanscombe Peninsula requiring protection / enhancement include Black Duck Marsh, Broadness Salt Marsh and Botany Marsh with habitats covering:

- Species rich grasslands
- Reedbeds
- Mudflats
- Salt marsh
- Open mosaic habitats
- Woodland/scrub
- Standing water
- Coarse grassland with ruderal and scrub vegetation

London Entertainment Resort Overview

The London Entertainment Resort is conceived as a nationally significant visitor attraction and leisure resort to be located on approximately 545 hectares of predominantly brown field land. The project would serve diverse and growing markets for leisure and holidays, conference, entertainment and the creative arts and could be a major focus for investment and regeneration in the area. Immediate accessibility to national and international rail services at Ebbsfleet International station and to water-borne transport via the Thames to central London could enable the resort to serve customers from throughout the UK, Europe and the rest of the world. An upgraded junction to the A2(T) could provide direct access by road with immediate connection to the M25 and M29 motorways.

The resort would include a theme park, events space for conferences and exhibitions, service buildings and staff training facilities. There would be up to 5,000 hotel rooms to meet visitor accommodation needs. The resort could directly employ around 13,000 people (with a further 14,000 employed indirectly) and visitor numbers are anticipated to be in the region of 15 million a year. A substantial area is required for back-of-house facilities, staff parking, utilities - wastewater treatment (including upgraded CKD run-off leachate system), electrical substation, waste management, maintenance, storage and distribution. Other potential elements of the resort include an energy centre to provide heat and power (Combine Heat and Power or CHP) as well as the creation of enhanced habitats.

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

**To:** Growth, Economic Development and Communities Cabinet Committee – 22 March 2017

**Subject:** **BUILDING OUR INDUSTRIAL STRATEGY GREEN PAPER - BRIEFING**

**Classification:** Unrestricted

**Past Pathway of Paper:** None

**Future Pathway of Paper:** None

**Electoral Division:** All

**Summary:**

The green paper *Building our Industrial Strategy* provides an opportunity for KCC to comment on government's proposals to promote growth and productivity across the country. This briefing note provides an overview of the green paper and identifies some areas that are likely to be of particular interest to local government and KCC. A consultation response is being prepared and will be approved by the Corporate Director for Growth, Environment and Transport, relevant Cabinet Members and the Leader before being submitted to government.

**Recommendation:** The Growth, Economic Development and Communities Cabinet Committee is asked to **NOTE** the briefing on the green paper and the development of a KCC response to the government consultation.

**1. Introduction**

- 1.1 The green (consultation) paper *Building our Industrial Strategy* was launched by the Prime Minister on 23 January. Developing 'a proper industrial strategy to get the whole economy firing' was one of the Prime Minister's early commitments, and it will form part of the 'Plan for Britain' which Government wants to put in place to manage the effects of Brexit and the wider issues highlighted by the vote to leave the EU.
- 1.2 Much of what is in the green paper had been previously announced, including in the Autumn Statement 2016, which focussed strongly on addressing the country's productivity gap and rebalancing economic disparity.
- 1.3 The green paper states that 'The objective of our modern industrial strategy is to improve living standards and economic growth by increasing productivity and driving growth across the whole country.' It sets out three key challenges that the Industrial Strategy must address:

- Build on our strengths and extend excellence into the future;
- Close the gap between the UK's most productive companies, industries, places and people and the rest; and
- Make the UK one of the most competitive places in the world to start or grow a business.

1.4 A set of consultation questions have been posed to gather feedback on the green paper and help government shape the Industrial Strategy. The response deadline is 17 April 2017.

1.5 This paper provides a briefing for GEDC Cabinet Committee members on the green paper, some issues of particular interest, and plans to prepare a KCC response to the green paper's consultation questions.

## 2. The green paper

2.1 The green paper identifies that the major barrier to economic success and prosperity in Britain is our level of productivity. Productivity per person is around 75% of the US average and also significantly lower than in France and Germany. The green paper is more explicit than government has been before in acknowledging the regional disparities in productivity across the country.

2.2 The green paper goes on to diagnose the country's deficits that are contributing to the productivity challenge and which the Industrial Strategy must address. For example, we invest less pro rata in research and development than other OECD averages, our basic and technical education is weak, the provision of infrastructure is slow and disjointed, and lack of finance and support for businesses to scale up is holding back business growth.

2.3 The green paper is arranged into ten pillars that government believes are important to drive forward the industrial strategy across the entire economy. These set out programmes and investments that have already been put in place by government, with some new proposals and commitments for the future. An overview of the key activities and commitments referenced under each of the 10 pillars is provided in Appendix 1.

2.4 Of the ten pillars:

- Two are **direct drivers of growth**
  - Investing in science, research and innovation
  - Cultivating world-leading sectors
- Five are **enablers of growth**
  - Developing skills
  - Upgrading infrastructure
  - Supporting businesses to start and grow
  - Improving procurement
  - Delivering affordable energy and clean growth
- Two are **geographies of growth**
  - Encouraging trade and inward investment (international)

- Driving growth across the whole country (local)
  - One is about **leadership of local growth**
    - Creating the right institutions to bring together sectors and places
- 2.5 Responses to the green paper from organisations representing businesses, politicians, think tanks and organisations representing local government have been broadly positive. The focus on rebalancing the economy across local areas has been particularly welcomed. However, many commentators are of the view that the green paper is underwhelming. It sets out problems and challenges that are already well-known, contains a lot of previous announcements and a smaller number of ideas for the future, some of which are not fundamentally different from what has been proposed before. It also lacks detail on its new proposals and commitments. This lack of detail could present stakeholders including local government with an opportunity to genuinely shape government's plans for the Industrial Strategy.

### 3. Issues of particular interest for local government

- 3.1 The green paper covers a broad range of issues and proposals. Some of the pillars are likely to be of particular interest for local government, and ones which we plan to address in KCC's consultation response.

#### Developing skills

- 3.2 Skills development is a core element of the green paper, suggesting that it will be at the heart of the Industrial Strategy. This has been broadly welcomed, although many of the proposals had already been announced in the recent Skills Strategy.
- 3.3 Proposals include action to improve basic skills, a new system of technical education, boosting STEM (science, technology, engineering and maths) skills including through new Institutes of Technology, identifying sector-specific skills gaps, providing high quality careers advice and new approaches to lifelong learning.
- 3.4 Organisations representing further education have commented that the proposals will do little to resolve the problems in the sector without significant further investment, particularly into colleges. The LGA has called on government to give councils greater control over skills provision and employment support. £10.5 billion of skills and employment support is commissioned nationally across 20 different schemes, which they argue is failing to meet the needs of the local economy. Local councils and their partners know their local areas and are best-placed to understand current and future skills needs. This may be one of the issues raised in the green paper where local government could call for a stronger role than is suggested. For example, KCC has produced the Workforce Skills Evidence Base which identifies key issues across 12 sectors that are important to the county. We have set up a number of guilds to support these sectors in partnership with the public and private sectors.

3.5 The development of Institutes of Technology (IoTs) is backed up with a commitment of £170 million of capital funding for their creation. There is little detail so far on how these will work in practice and where they will be placed. One of the commonly cited problems with technical education is the complexity of the system, so it is hoped that IoTs will act to simplify it rather than adding another layer. The LGA will work with government on the development of IoTs and will call for local commissioning, giving businesses and training providers control over what is delivered to meet local needs.

#### Upgrading infrastructure

3.6 The green paper reaffirms previous commitments to increase rates of public investment in infrastructure including the National Productivity Investment Fund which will provide £23 billion of spending between 2017-18 and 2021-22 on housing, transport, digital communications, and also research and development. There is also a commitment for an additional £1.1 billion for local roads and transport. The Lower Thames Crossing is one of the road infrastructure projects specifically named for investment.

3.7 The focus on providing long-term funding certainty for infrastructure has been welcomed. However the LGA have estimated that there is a £12 billion backlog on maintenance of local road networks. They argue that ensuring the current network is kept in good condition is as much of a priority as building new roads and this should be reflected in government's plans.

3.8 Similarly, the commitment to invest £400 million in a new Digital Infrastructure Investment Fund to boost local full fibre broadband rollout and the development of 5G mobile technology has been welcomed. The LGA continues to call on government not to lose sight of the needs of rural communities who are already struggling to receive a basic broadband and/or mobile service. Government recognises the work KCC is undertaking in delivering broadband infrastructure, particularly in rural areas, so our comments on these proposals will be particularly valuable.

3.9 There are commitments in the infrastructure section to improve local involvement in infrastructure policy and allow better joining up between local growth needs and national infrastructure investment, which is positive. KCC has already developed the Kent and Medway Growth and Infrastructure Framework, which better aligns infrastructure investment in transport, community infrastructure and utilities with our local growth priorities as well as those of government. We are the first area in the country to take this approach. This could help to counter the assumption in this section that better joining up of local growth needs and national investment is reliant on city deals, growth deals, and mayoral devolution deals. This assumption does raise some questions over how government will work more closely with areas that do not have combined authorities or elected mayors in place.

#### Driving growth across the whole country

3.10 The section on driving growth across the whole country is likely to be of specific interest to local government as it focuses some of the green paper's earlier proposals into specific commitments to work with local areas to boost local growth and productivity.



- 3.11 This section includes previously mentioned commitments to create new funding to unlock growth in areas where infrastructure and connectivity is holding it back, including the £2.3 billion Housing Infrastructure Fund. There are commitments to work with local areas to test approaches to improving skills where they are particularly low, including through improvement of early years education, the retention of graduates and measures to drive uptake of apprenticeships. New funding streams will be developed to support R&D and science and innovation in local areas, outside of the traditional 'golden triangle' of London, Oxford and Cambridge. Government intends to work with local areas to identify and develop industrial 'clusters' of businesses and support local specialisms.
- 3.12 This section raises two points for local government and KCC that are echoed throughout the green paper. Firstly, there is an assumption that the South East and London as a whole do not experience many of the growth and productivity challenges that other areas of the country face, including low skills, limited access to funding for businesses, poor graduate retention, poor transport connectivity etc. Kent does not follow this pattern in many cases, for example our GVA and skills levels are lower than the regional and national averages. There is therefore a potential concern that in seeking to rebalance the economy, areas in the South East such as Kent could be left out of government's new funding and initiatives to improve growth and productivity, particularly given the current bias towards supporting the North. There is a role for local government to ensure that local areas with significant needs are not overlooked and that a tailored approach is taken.
- 3.13 The second point is that there are a number of proposals in the green paper that local government could be well-placed to deliver or be involved in, which government has not acknowledged. Utilising the capacity, skills and knowledge of local councils is one way in which government could meet their aim to drive growth across the whole country. For example, councils can play a key role in gaining a comprehensive understanding of skills gaps, facilitating business-to-business and peer-to-peer support for entrepreneurs and businesses that want to scale up and the early identification and support of high-growth firms. Local government could also play a key role in helping businesses come together to form 'Sector Deal' proposals to government.

Creating the right institutions to bring together sectors and places

- 3.14 In the final pillar of the green paper, government talks about the opportunity that the Industrial Strategy presents to ensure that the right institutions are in place at national and local level to identify emerging areas of strength and develop targeted policies and investments to support them. This section will also be of particular interest for local government. There are further references here to devolution, although there is still a bias towards cities.
- 3.15 New commitments include the Department of International Trade reviewing how it identifies priority investments and how they can make an impact in local areas where productivity needs to catch up. There is also a commitment to review the location of government agencies and arms-length bodies including cultural institutions and consider relocating them where they could potentially support private sector growth and make places more attractive to people and businesses. Local councils will need to play a role in the decision-

making process if agencies and organisations are to be relocated into local areas.

- 3.16 This section includes a commitment to review the role of Local Enterprise Partnerships (LEPs) in supporting local growth, particularly in light of research demonstrating the high level of fragmentation of growth funding. LGA is calling for responsibility for future funding for growth including the Local Growth Fund to sit with councils.
- 3.17 Finally, government wish to work with councils to review how to bring more business expertise into local government. One of the most talked about ideas is the creation of a modern 'Alderman' type of role within Local Government. Councils already provide economic and business leadership in their local areas and lead on creating private/public partnerships to unlock local growth. The LGA is calling for the strengthening of existing local arrangements rather than the creation of new roles which could risk causing confusion.

Other issues that KCC's response will cover

- 3.18 Supporting business to grow  
Improving access to finance for businesses looking to grow is a central commitment in this section. However, there is nothing about the significant role that councils play in this. In the last four years, KCC has allocated £55m in loans and equity including through the Regional Growth Fund to help businesses grow and create jobs. We are now looking to recycle funds back into more businesses. KCC's response will highlight the important role of councils in supporting business to start up and grow.
- 3.19 Improving procurement  
This section is about stimulating innovation and growth through government procurement, improving procurement processes and making it easier for UK business, including SMEs, to compete. One of the proposals is for Government to start gathering supplier feedback and make it available to public purchasers, which is intended to help build the reputation of smaller and newer providers. Government has set a target to ensure a third of its total procurement spend is with small businesses by 2020 (directly and indirectly through supply chains) and all departments now have small business plans. However, there is nothing in this section about local government procurement, the role it can play in stimulating growth and whether some of the innovations and improvements being planned for central government could be shared with local government. This is an area where KCC will wish to comment.
- 3.20 Encouraging trade and investment  
In this section Government has set out proposals to take a more active approach to developing trading relationships and promoting international investment. This includes joining up trade and investment promotion with local areas, which will be essential to utilise the significant knowledge and experience of councils. These are important priorities for KCC where we are already making an impact. For example, we recently commissioned some research by Kent Business School which assessed the trade development needs of Kent businesses, and this will help to shape the work of local

partners, including the Department for International Trade. We will also use it to give evidence to the Trade Select Committee that KCC has been invited to attend. Our new inward investment services contract with Locate in Kent will scale up activity significantly over the next three years.

### 3.21 Delivering affordable energy and clean growth

This section is about transitioning to low-carbon in a way that minimises costs to businesses and domestic consumers. There is a commitment to develop a long-term road map to minimise business energy costs. The proposals here resonate well with the priorities of our Kent Environment Strategy, including the new LOCASE programme which will help businesses to keep costs down and transition to a low carbon economy. We will therefore be able to provide information about our existing work in these areas in our response.

### 3.22 Cultivating world-leading sectors

Government has identified a number of sectors that it intends to provide particular support for, including life sciences and the arts and creative sector. This plays to Kent's strengths as these are important sectors in our local economy and we will use our knowledge and interest in these sectors to inform our response to this section. At the same time, a number of other sectors account for a significant proportion of our county's employment, and will continue to need support, particularly to ensure that the appropriate skills are developed going forward. These sectors include manufacturing, construction, retail, tourism and hospitality, logistics, finance and business services and health and social care. Government also still intends to produce the much delayed '25 year plan for food and farming' (indeed, the only reference in the green paper to the farming sector) which will be particularly relevant to Kent and which we will want to influence.

## 4. KCC's consultation response

4.1 KCC will submit a response to government on the consultation. This is being coordinated by Strategy, Policy and Assurance and will be developed using views and evidence provided by colleagues in Economic Development, Environment, Planning and Enforcement, and Skills and Employability.

4.2 The response is currently being developed and will aim to answer all of the relevant consultation questions. It will include those issues outlined in section 3.

4.3 Responses are also being prepared by South East Local Economic Partnership, Kent and Medway Economic Partnership, Business Advisory Board, Thames Gateway and some of Kent's District and Borough Councils. While KCC's response will focus on our own views and experiences, officers working on the response will liaise with these other organisations where appropriate to see if there are opportunities to align and strengthen the response to government. There may also be opportunities to link in to national responses including through County Councils Network.

4.4 The response will be approved by the Corporate Director for Growth, Environment and Transport, relevant Cabinet Members and the Leader before being submitted.

## 5. Recommendation

### 5.1 Recommendation:

The Growth, Economic Development and Communities Cabinet Committee is asked to **NOTE** the briefing on the green paper and the development of a KCC response to the government consultation.

## 6. Background Documents

Green paper, *Building our Industrial Strategy* -  
<https://www.gov.uk/government/consultations/building-our-industrial-strategy>  
23 January 2017

LGiU policy briefing, *Building our Industrial Strategy: The local government role* - Members only update, available on request  
22 February 2017

Local Government Association, *Britain's Industrial Strategy Briefing*  
[http://www.local.gov.uk/web/guest/briefings-and-responses/-/journal\\_content/56/10180/8200978/ARTICLE](http://www.local.gov.uk/web/guest/briefings-and-responses/-/journal_content/56/10180/8200978/ARTICLE)  
27 January 2017

Appendix 1 - Overview of the 10 pillars of the green paper *Building our Industrial Strategy*

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## **Appendix 1 – Overview of the 10 pillars of the green paper *Building our Industrial Strategy***

### Investing in science, research and innovation

*“We will become a more innovative economy and do more to commercialise our world leading science base, delivering new technologies and driving growth throughout the UK”*

Commitments include:

- Substantially increasing investment in research and development including an additional £4.7 billion of funding by 2020-21 and the creation of the ‘Industrial Strategy Challenge Fund’ which the Budget announced for the Fund’s first wave will cover clean and flexible energy, robotics and artificial intelligence, and leading edge health care and medicines, supported by an initial investment of £270 million for 2017-18.
- Substantially increasing our strategic capacity including through the creation of UK Research and Innovation to bring together research councils and later-stage innovation funding. Other proposals include improving how we translate research into commercial outcomes by better supporting universities to do this, creating new funding streams to capitalise on innovation in local areas (outside of the ‘golden triangle’ of Oxford, Cambridge and London) and ensuring that Britain develops and attracts top academic talent for an innovative economy.

### Developing skills

*“We will build a proper system of technical education, and boost key skills in science, technology, engineering, maths and digital proficiency, to ensure people have the skills employers need now and in the future”*

Commitments include:

- Action to improve basic skills and the creation of a ‘proper’ system of technical education which will provide clear, high quality, demanding vocational education routes delivered by high quality providers with excellent teaching. Much of this has already been set out in the 16+ Skills Plan.
- Addressing specific skills shortages, particularly in STEM subjects (science, technology, engineering and maths). £170m of capital funding is being provided to create Institutes of Technology to deliver higher education in STEM subjects and meet the skills needs of employers in local areas. Sector-specific skills gaps will also be addressed.
- Improving careers guidance through the publication of a new comprehensive careers strategy, and exploring approaches to encouraging lifelong learning particularly to support people in industries at risk of decline.
- Working with local areas to look at factors that affect skills including improve pre-school education, new schemes to support the retention and attraction of graduates, and measures to increase the take up of apprenticeships.

### Upgrading infrastructure

*“We will upgrade our digital, energy, transport, water and flood defence infrastructure, and join up central government investment and local growth priorities more effectively”*

Commitments include:

- Higher rates of public infrastructure investment including creation of the 'National Productivity Investment Fund' (NPIF) which will be targeted at four areas that are critical for improving productivity: housing, transport, digital communications, and research and development (R&D). The NPIF will provide for £23 billion of spending between 2017-18 and 2021-22. Investment in roads includes for the Lower Thames Crossing. There will also be £400 million investment in digital infrastructure (full fibre broadband and 5G mobile technology) and £170 million for flood defences.
- Supporting private sector infrastructure investment and making infrastructure costs more competitive.
- Better matching infrastructure to local plans, using infrastructure to support local growth. This includes a new £2.3 billion Housing Infrastructure Fund to support the development of infrastructure where it is needed to support local housing growth. Future rounds of infrastructure investment will be planned to rebalance spending per head between different regions. Other commitments in this section would be dependent on devolution deals or the creation of regional strategic transport bodies.

#### Supporting businesses to start and grow

*"We will support businesses and entrepreneurs across the UK, to ensure they can access finance and wider support to grow, and have the right conditions for companies to invest long-term"*

Commitments include:

- Improving access to finance for businesses looking to grow, addressing problems that UK businesses face in accessing long-term investment. A new Patient Capital Review will be led by the Treasury to understand the barriers. Government will also provide further backing for institutions that can catalyse private sector equity investment including the British Business Bank.
- Improving support for scale-ups and entrepreneurs including the development of peer-to-peer networks, using government data such as VAT returns to identify and support fast-growing firms and a review into entrepreneurship to identify and roll out best practice in supporting entrepreneurs. £13 million of funding will be provided to the Productivity Council to provide leadership and business-to-business advice to raise productivity.

#### Improving procurement

*"We will ensure public procurement drives innovative new products and services, strengthens skills, develops UK supply chains and increases completion by creating more opportunities for SMEs"*

Commitments include:

- Stimulating innovation through procurement including through new guidance for public buyers.
- Supporting economic growth through better procurement, which means using the 'balanced scorecard' approach which ensures that UK-based suppliers are in the best position to compete for government's biggest capital project contracts. Government has committed to ensure that one third of its

procurement spend is with SMEs by 2020. To achieve this, government will reduce bureaucracy and trial the gathering of supplier and product feedback to provide evidence for public buyers, which can encourage greater consideration of less well-known SMEs. There are also specific opportunities around procurement for defence and health.

#### Encouraging trade and inward investment

*“We will make Britain a global leader in free trade, including promoting and supporting UK exports, building future trading relations and creative a more active approach to winning major overseas contracts”*

Commitments include:

- Building future trading relationships, in a post Brexit world, including with Canada, China, India, Mexico, Singapore and South Korea.
- Creating a more active approach to winning overseas contracts using a ‘Team UK’ approach which clearly demonstrates the collective UK offer. There are also commitments to improve targeting of potential exporters using behavioural insight and HMRC data.
- Continued support for great.gov.uk which is a digital platform that matches supply and demand to help UK firms promote their goods and services to international buyers and search for export opportunities.
- Joining up trade and inward investment promotion with local areas, with teams dedicated to individual areas including the Northern Powerhouse and southern England, working with local leaders including LEPs. This mostly involves supporting local trade missions. Government want to learn from areas such as London that measure the success of inward investment through the growth that it produces.

#### Delivering affordable energy and clean growth

*“We will keep energy costs down for businesses, build the energy infrastructure we need for new technologies, and secure the economic benefits of our move towards a low-carbon economy”*

Commitments include:

- Creation of a long-term ‘roadmap’ to minimise business energy costs, informed by a review of the opportunities to reduce the cost of achieving decarbonisation including greater energy efficiency and supporting reductions in the cost of off-shore wind. There is a suggestion that government subsidies to support new markets for energy technologies could end, in order to ensure that ‘competitive markets’ provide the energy needed.
- Changes to energy infrastructure including smart meters, work on low emission vehicles and exploring hydrogen fuel technologies across heating, energy storage and transportation. Government will review the case for a new research institution for work on battery technology, energy storage and grid technology.
- Harnessing the industrial opportunities from new energy technologies, for example a strong UK supply chain is being developed to deliver the construction of Hinkley Point, and in turn investment in nuclear skills is upgrading our capacity and skills in this sector.
- An Emissions Reduction Plan will be published during 2017.

### Cultivating world-leading sectors

*“We will build on our areas of global excellence and help new sectors flourish, supporting businesses to take the lead in transforming and upgrading their industries through sector deals”*

Commitments include:

- Challenging all sectors to upgrade through ‘sector deals’ where businesses in a particular sector will be asked to collaborate with local leaders and universities to produce a proposal for boosting the productivity of their sector to address challenges such as promoting competition and innovation, facilitating long-term investment and increasing exports. Government can increase the prospects for success by, for example addressing a regulatory issue, promoting the creation of new technology or helping to address market access barriers with other countries. There may be new opportunities when the UK leaves the EU and is no longer bounded by State Aid restrictions on the support that government can give to businesses.
- Supporting emerging sectors that are too small to have sectoral institutions by gaining an understanding of the issues facing them and agree actions.
- Building on existing sector relationships including with the automotive and aerospace industries and roll out strategies for working with a range of other sectors.

### Driving growth across the whole economy

*“We will build on local strengths and address factors that prevent areas from reaching their full potential, by investing in infrastructure projects, increasing skill levels and backing local expertise”*

Commitments include:

- Backing local connectivity with strategic infrastructure investment through additional funding, and working with local areas to address skills gaps, as explained in previous sections.
- Investing in local science and innovation strengths by creating new funding streams for research and development in universities across the country, as also previously explained

### Creating the right local institutions

*“We will create strong structures and institutions to support people, industries and places to maximise local strengths, including reviewing the location of government bodies and cultural institutions”*

Commitments include:

- Working with local areas to identify and help develop industrial and economic clusters of businesses and local specialisms, putting in place the right institutions with the right powers to help support local areas of economic strength.
- The Department of International Trade will review how it identifies priority investments, looking at the impact it will have in local areas where productivity needs to catch up.



- The Cabinet Office is reviewing the location of government agencies, arm's length bodies and cultural assets that make a place attractive and will consider relocation to support local growth
- Government review into leveraging government and research council laboratories to drive local growth (including whether surplus government land or buildings could be used to support innovative businesses around them)
- Support networks of universities where they want to come together to support commercialisation
- Work with British Business Bank and ScaleUp Institute to understand and address weakness of venture capital funding and entrepreneurship networks outside the South East
- Review how to bring more business expertise into local government, which could include the creation of a modern 'Alderman' role.
- Explore further devolution deals for largest cities and work with the LGA to build administrative capacity in new Mayoral Combined Authorities, e.g. in transport planning and economic development, suggesting seconding Whitehall officials to cities.
- Work with LEPs to review and strengthen their role in delivering local growth and examine spreading best practice for local areas.

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

**To:** Growth, Economic Development and Communities Cabinet Committee -  
22 March 2017

**Subject:** Housing White Paper briefing

**Classification:** Unrestricted

**Past Pathway of Paper:** Policy and Resources Cabinet Committee 8 March 2017

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

**Electoral Division:** All

**Summary:** This paper outlines the main provisions of the recent Housing White Paper, and presents an analysis of its potential Impacts, Challenges and Opportunities.

**Recommendation:** The Growth, Economic Development and Communities Cabinet Committee is asked to consider and make recommendations on the White Paper.

## 1. Introduction

- 1.1 The Government published the Housing White Paper – ‘Fixing our broken housing market’ on 7 February 2017. This focuses on housing, but the proposed changes in policy will affect planning (plan making and decision taking) more generally. It is open for consultation until 2 May 2017.
- 1.2 One of the biggest policy challenges facing Government, Local Government, and communities is housing, and the Secretary of State for the Department for Communities and Local Government (DCLG), Sajid Javid - has said that the issue is his “*number one priority*”. Housing is also a priority for Kent County Council, and a supporting outcome of our Strategic Statement is that we “*support well planned housing growth so Kent residents can live in the home of their choice*”.
- 1.3 Sajid Javid has reiterated the Government’s September 2015 pledge that the Government would like to see a million new homes built by 2020. The 2004 Barker Review (which is referenced in the White Paper) recommended that 250,000 houses a year needed to be constructed to prevent house price inflation exacerbating the affordable housing shortage. This figure has not been achieved, and according to recent Government figures, there was a net housing increase of 189,900 in 2015-16, a rise of 11% on the previous financial year, and an additional 893,000 homes built since 2010 – the highest level since the 2007-08 financial crash. Government figures have also concluded that the number of affordable homes built in England in 2015-16 fell to its lowest level for 24 years.
- 1.4 The Office for National Statistics (ONS) has reported that, as of December 2016, national house price affordability was 9.38 times average earnings, with 2.2 million working households with below-average incomes spending a third or more of their

disposable income on housing. The number of households who own their own house has fallen by 200,000 since 2010, with the number of under-35s having fallen by 344,000 since 2010. The Local Government Association (LGA) has further reported that only 20% of 25-year-olds own their own homes, compared to 20 years ago when this was 46%.

- 1.5 Since 2010 around 1 million more households now rent from private landlords, with the proportion of people living in private rented accommodation doubling since 2000. However, a Royal Institution of Chartered Surveyors (RICS) survey has predicted that rents will increase by just over 25% in the next five years, compared to 20% for property values.
- 1.6 During the year ending 31st March 2016 there were 6,704 dwellings completed (net) in the twelve local authorities in the KCC area. This is 46% higher (2,100 dwellings) than the previous year (2014/15) when the number of dwelling completions was 4,604 (net). The figure for 2015/16 includes 1,060 affordable housing completions. The ratio of median house price to median gross annual salary ranges from 10.78 in Tonbridge and Malling to 8.20 in Swale during 2015.

## **2. The Housing White Paper**

- 2.1 Prior to the White Paper, the 2016 Autumn Statement heralded a change in emphasis from the Coalition Government's economic policy of concentrating on deficit reduction, to borrowing to invest for infrastructure to improve growth and productivity, and this included several housing related announcements.
- 2.2 In summary these included several funds and initiatives:
  - Home Building Fund
  - National Productivity Investment Fund (NPIF)
  - Housing Infrastructure Fund
  - Capacity Fund
  - New housing zones – although none of these are in Kent
  - Accelerated construction on public sector land
  - Right-to-Buy for Housing Association tenants
  - A Starter Homes Land Fund
  - The announcement of new Garden Towns and Villages
- 2.3 Although this is a White Paper, it is more akin to a Green (consultation) Paper – with many future proposed consultations referred to in the document – these are detailed in section 5 of this report. However, there are sections that are not open for consultation, particularly where there has been previous consultation, and several proposals build on consultations and reviews conducted over the last year: the report of the Local Plans Expert Group; consultations on changes to the National Planning Policy Framework (NPPF), technical changes to planning and 'building up' in London; and the Rural Planning Review call for evidence. A summary of the responses to each consultation is published alongside the White Paper.
- 2.4 Many of the changes will also involve amendments to the NPPF, and the Government intends to publish a revised Framework later this year, which will consolidate the outcome from the previous and current consultations. It will also

incorporate changes to reflect changes made to national policy through Written Ministerial Statements since March 2012.

### 3. Key provisions in the Housing White Paper

#### 3.1 Local Plans

- **Following consultation, the Government will introduce a new ‘Housing Delivery Test’, through changes to the NPPF that will look at a standardised way of calculating demand. Where under-delivery is identified as a result of monitoring, the Government proposes a tiered approach to addressing the situation:** From November 2017, a local authority will be required to publish an action plan if delivery of housing falls below 95% of the annual housing requirement and if delivery falls below 85%, local authorities must also plan for a 20% buffer on their five-year land supply; from November 2018, if delivery is below 25% the presumption in favour of sustainable development would automatically apply; from November 2019, the presumption will apply if delivery falls below 45% and from November 2020, it will apply if delivery falls below 65%.
- All Local Planning Authorities (LPAs) are covered by a “*realistic*” Local Plan – using existing powers and those proposed in the Neighbourhood Planning Bill currently before Parliament - to be reviewed every five years, or face intervention. The White Paper says that 40% of LPAs do not have an up-to-date Plan. In February 2016 DCLG consulted on their proposed criteria for making decisions on whether to intervene in plan-making. Government intends to make decisions on intervention on the basis of these criteria.
- Housing land supply would also be able to be agreed on an annual basis. It is proposed that LPAs who wish to take advantage of this will need to provide for a 10% buffer on their 5 year land supply.
- LPAs will be required to plan for higher densities, and focus in areas where there is a shortage of land on locations that are well connected to public transport.
- **The NPPF will be revised to remove the policy expectation that each LPA should produce a single Local Plan.** The Neighbourhood Planning Bill, currently before Parliament, **would allow the Secretary of State to direct a group of authorities to work together to produce a Joint Local Plan. Government will also consult on changes to the NPPF, so that authorities are expected to prepare a ‘Statement of Common Ground’.** This would set out how they will work together to meet housing requirements and other issues that cut across authority boundaries, and would replace the ‘Duty to Cooperate’ – which the Government say has not worked in practice.
- Devolution deals have allowed housing to be considered at a wider scale than individual authorities via ‘Spatial Development Strategies’. Building on measures in the Neighbourhood Planning Bill, the White Paper proposes that Combined Authorities or areas with an Elected Mayor will be able to allocate strategic housing sites.

### 3.2 Infrastructure

- **An independent review of the Community Infrastructure Levy (CIL) and its relationship with Section 106 planning obligations is published alongside this White Paper.** The report recommends that the Government should replace the CIL with a hybrid system of a broad and low level Local Infrastructure Tariff (LIT). Under this system: all development would be liable for a LIT - a low level tariff aimed at meeting an area's wider cumulative infrastructure needs; and larger development would be required to deliver site specific mitigation secured by a section 106 agreement. In addition, the review has recommended legislating to enable Combined Authorities to establish an additional Strategic Infrastructure Tariff (SIT) to contribute to major infrastructure. This would be similar to the Mayoral CIL which has been applied in London.
- The Government has confirmed that it is exploring an improved and simplified approach to developer contributions, including ensuring direct benefit for communities, and will make an announcement on any reform in the 2017 Autumn Budget.
- **The Government say that they will work with local Leaders and Mayors on infrastructure** and *“take a more coordinated approach across Government to make sure the right infrastructure is provided in the right places at the right time to unlock housing delivery”*.

### 3.3 Speeding up housebuilding and Planning

- The Government will make it easier for LPAs to issue 'Completion Notices', reducing the developing envelope time from three to two years.
- Developers will be required to be more transparent about their pace of delivery, so that councils can take this into account when planning. There are also measures to boost the transparency of the identity of landowners.
- The Government say that the £3 billion 'Home Building Fund' will broaden out the number of housing providers from the 10 companies who build 60% of all new homes. The Government say that this will help facilitate the building of 25,000 new homes this Parliament and up to 225,000 in the longer term by engaging SME builders, custom builders, offsite construction and the associated infrastructure.
- Government will support the delivery of existing and future 'Garden' communities by legislating to enable the creation of 'New Town Development Corporations', and amending policy to encourage a more proactive approach by authorities to bringing forward new settlements in their plans.
- Neighbourhood planning groups will have access to Government funding to pay for support required in preparing plans, and housing requirement figures from their LPA.

### 3.4 Green Belt

- The Government has reaffirmed its commitment to the Green Belt, that “*only in exceptional circumstances*” can it be built on, and only then after consulting communities and submitting a revised Local Plan for examination. The Housing Minister – Gavin Barwell has said that councils “*can take land out of the green belt in exceptional circumstances but they should have looked at every other alternative first*”, like brownfield land, surplus government land, increasing the density of projects, or partnering with neighbouring councils. In reality it is an unlikely scenario where mass building on the Green Belt will be facilitated. A revised NPPF will set out the processes LPAs must take before considering building on the Green Belt, and it will also be amended to reflect a ‘de-facto’ presumption in favour of housing on brownfield land.

### 3.5 Housing Affordability

- **There are a range of Housing Affordability measures in the White Paper. Although the target for the number of new houses the Government wants to see built by 2020 is absent from this document, the Government do commit to saying that they expect to help over 200,000 people to become homeowners by the end of this Parliament.**
- It is of note that Theresa May’s Government has a different emphasis towards housing compared to the approach of David Cameron’s administration, which concentrated more on home ownership rather than alternative tenures.
- As such, the White Paper presents a “*change of tone*” from home ownership to affordable and secure rents, relaxing restrictions on funding for the £7.1bn ‘Affordable Homes Programme’ - which was originally focused on delivering Shared Ownership schemes - and refocussing incentives for developers to build affordable homes for rent, and Rent-to-Buy schemes alongside shared ownership. Government want to encourage institutional investors, lenders and Capital Markets Participants to the private rental sector. A ‘Rent-to-Buy consultation has been launched alongside this White Paper so that developers can offer affordable rent options.

### 3.6 Government is proposing changes to planning policy to support households who are currently priced out of the housing market:

- **Changing the definition of affordable housing:** The Government intend to take forward proposals, in the NPPF, to expand the definition of affordable housing in planning policy, and propose to:
  - To introduce a household income eligibility cap of £80,000 (£90,000 for London) on ‘Starter’ homes. Previously the 2015 Conservative manifesto pledged 200,000 new ‘Starter’ homes that could be bought by first-time buyers at 20% discounts. There will also be a 15 year repayment period for a ‘Starter’ home so when the property is sold to a new owner within this period, some, or all, of the discount is repaid.
  - To introduce a definition of affordable private rented housing, which is a suitable form of affordable housing for Build to Rent Schemes.

- Subject to the Built to Rent consultation, the Government intend to publish a revised definition of affordable housing as part of changes to the NPPF.
- **Increasing delivery of affordable home ownership products:** The NPPF requires LPAs to plan proactively to meet as much of their housing needs in their area as possible, including market and affordable housing:
  - **‘Starter’ homes:** The White Paper confirms that the Government will not introduce a statutory requirement for ‘Starter’ homes at the present time. This is because of concerns expressed in response to their consultation last year that this would not respond to local needs. Instead ‘Starter’ homes are to be decided locally, with LPAs to deliver these as part of a mixed package of affordable housing of all tenures that can respond to local needs and local markets. Government will look for LPAs to work with developers to deliver a range of affordable housing products, which could allow tenants to become homeowners over a period of time. These include ‘Starter’ homes, shared ownership homes and discounted market sales products.
  - **10% of all new housing sites should be ‘affordable’ – from a previous target of 20%:** To promote delivery of affordable homes to buy, it is proposed that national planning policy will reflect that local authorities should seek to ensure that a minimum of 10% of all homes on individual sites are affordable home ownership products. This will form part of the agreed affordable housing contribution on each site. It is proposed that this policy should apply to sites of 10 units or more (or 0.5+ hectares). This aligns with the planning definition of ‘major development’ for development management purposes. A lower threshold would be contrary to existing national planning policy.

The Government say that there are a number of schemes for which such a policy may not be appropriate, either on viability grounds or because the nature of the proposal makes it difficult to provide affordable home ownership products. For example:

- Build to Rent schemes
- Proposals for dedicated supported housing, such as residential care homes.
- Custom Build schemes.
- Development on Rural Exception Sites.

### 3.7 Starter Homes & Brownfield land

- DCLG will change the NPPF to allow more brownfield land to be released for developments with a higher proportion of ‘Starter’ homes by:
  - Bringing forward a proposal for retaining employment land that has been vacant, unused or unviable for a period of five years, and is not a strategic employment site, should be considered favourably for ‘Starter’ home-led development.



- Extending the current ‘Starter’ home exception site policy to include other forms of underused brownfield land – such as leisure centres and retail uses – while retaining limited grounds for refusal.
- Allowing development on brownfield land in the Green Belt, but only where it contributes to the delivery of ‘Starter’ homes, and there is no substantial harm to the openness of the Green Belt.
- It will be clarified that ‘Starter’ homes, with appropriate local connection tests, can be acceptable on Rural Exception Sites. Government will also look to support ‘Starter’ home development in rural areas by working in partnership with councils to bring forward land for locally supported development.
- The £1.2 billion ‘Starter Home Land Fund’ will be invested to support the preparation of brownfield sites. Sites will include both ‘Starter’ homes and other types of affordable home ownership products such as shared ownership, and products like Rent-to-Buy.

### 3.8 Backing Local Authorities to Build

- The White Paper says that the Government will work with local authorities to understand all the options for increasing the supply of affordable housing, and they are interested in the scope for bespoke housing deals with authorities in high demand areas. They will look to promote the alignment of decisions on infrastructure and housing at higher spatial levels, including via Joint Local Planning and Statutory Spatial Plans.
- DCLG say they welcome innovations like Local Development Corporations, local housing companies and/or joint venture models building mixed sites, which include new market housing for sale or private rent, as well as affordable housing.

### 3.9 Housing Associations

- The Government also say that they want to support Housing Associations and Local Authorities to start building again, and will:
  - Set out a rent policy for social housing landlords (housing associations and local authority landlords) for the period beyond 2020 to help them to borrow against future income, and will undertake further discussions with the sector before doing so. The Government also confirms that the 1% rent reduction will remain in place in the period up to 2020.
  - They will make the Social Housing regulator a stand-alone body.
  - Government say they are committed to implementing the necessary deregulatory measures to allow Housing Associations to be classified as private sector bodies.

### 3.10 Renters and Leaseholders

- **Banning Orders:** The Government will implement measures introduced in the Housing and Planning Act 2016, which will introduce banning orders to remove

the worst landlords or agents from operating, and enable local councils to issue fines as well as prosecute.

- **Longer tenancies:** DCLG are proposing to make the private rented sector more family-friendly by taking steps to promote longer tenancies on new build rental homes.

### 3.11 Community Housing Fund

- In April 2016 higher rates of Stamp Duty Land Tax have been payable on purchases of additional residential properties, including second homes. Some of the additional receipts have been used to form the 'Community Housing Fund', which is supporting communities to take the lead in developing homes, including in areas particularly affected by second homes. Government will consider whether any additional measures are required to support this policy.

### 3.12 Older People

- The Government is introducing a new statutory duty through the Neighbourhood Planning Bill on the Secretary of State to produce guidance for LPAs on how their local development documents should meet the housing needs of older and disabled people. The White Paper says that – "*Helping older people to move at the right time and in the right way could also help their quality of life at the same time as freeing up more homes for other buyers*". The Government say they are committed to exploring these issues further and will draw on the expertise of a wide range of stakeholders including housebuilders (both specialist and mainstream); mortgage lenders; Clinical Commissioning Groups; housing associations and local authorities and older people and the groups that represent them.

### 3.13 Financing a property purchase

- **'Help To Buy: Equity Loan':** The Help to Buy Equity Loan was originally established in 2013. DCLG has committed £8.6 billion for the scheme to 2021.
- **'Lifetime ISA':** Government will introduce the Lifetime ISA in April 2017. It is aimed at supporting young adults to save, giving them a 25% bonus on up to £4,000 of savings a year. Savings and the bonus can be used towards purchasing a first home, or withdrawn once they reach the age of 60.

## 4. **Impact; Challenges and Opportunities of the White Paper**

### 4.1 **Will this White Paper achieve its aim of facilitating more houses being built?**

Liam Booth-Smith, Chief Executive of the think tank Localis, has commented that "*The real test of the Government's Housing White Paper will be whether they can diversify and disrupt the developer market*", adding that "*Large house builders are close to capacity*". While, David Orr - Chief Executive at the National Housing Federation, has added that "*what the nation needs now is unwavering political will and courage to see this through*".

### 4.2 **There is no explicit role for the County Council in the White Paper:** This housing paper does not reiterate the proposals in the Neighbourhood Planning Bill to enable strategic planning across county areas. The Bill would enable the

Secretary of State to invite a county council to prepare or revise a Development Plan document in a case where the Secretary of State thinks that a district council in a county council's area is failing to prepare, revise or adopt such a document. It is not clear whether the Government sees a formal role for county councils in strategic planning arrangements, and whether this may also include options for plans which cut across county boundaries.

The County Councils Network (CCN) is lobbying to make the point that strategic planning arrangements must integrate planning functions with other relevant growth and service functions, particularly those that relate to infrastructure provision. Their position is that in two-tier areas county councils would need a formal role in strategic plan-making, and that allowing district councils to prepare joint plans will not address the core challenge of infrastructure provision.

## Local Plans

- 4.3 **A centralisation of local planning?** The existing NPPF guides Local Planning Authorities (LPAs) to significantly boost the supply of housing. The Government has subsequently said that any LPA that does not have an up-to-date Local Plan could face Government intervention, but until now this has not been defined. The suggestion in this White Paper is that central Government is intent on mandating LPAs to increase the number of homes in their Local Plan – which is a centralisation of the planning process. If this is the case where does this leave local democracy in the planning process?

Martin Tett, the Leader of Buckinghamshire County Council and housing spokesman for the LGA has commented that *“If you get into a situation with central government effectively imposing top-down targets, you are back to a situation where local communities will really resent these housing numbers”*.

Jonathan Carr-West, Chief Executive, LGiU has said that the think tank is *“not convinced that this White Paper goes far enough to address the democratic deficit in our planning system. In a recent survey, we found that seven out of ten local councillors believe that the system is weighted in favour of developers at the expense of local communities. They also told us the system was too dominated by central Government: a trend this White Paper looks set to exacerbate rather than reverse”*.

- 4.4 **There is a spatial disparity in the housing powers given to councils across the country – particularly those councils that have an elected mayor:** The 2016 Autumn Statement announced that northern councils and councils with elected mayors will receive greater housing powers. London will be given £3.15 billion to deliver over 90,000 housing starts by 2020-21. Authorities with mayors will also be given powers to borrow to invest in *“economically productive infrastructure”*. Building on measures in the Neighbourhood Planning Bill, the White Paper proposes that Combined Authorities or areas with an elected mayor will be able to allocate strategic housing sites. This is not a level playing field within which to work.

## Infrastructure

- 4.5 **One of the biggest issues with new housing is the infrastructure that is required:** It is welcome that the White Paper says the Government will work with local Leaders and Mayors on infrastructure. It is also encouraging that the

Independent review of the Community Infrastructure Levy (CIL) highlights the importance of the two-tiers working together in county areas – *“In two tier authorities, it is particularly important that there are early discussions to identify and plan for the infrastructure needed to support growth and to identify how that will be funded”*.

The Kent and Medway Growth and Infrastructure Framework (GIF) presents a clear picture of the county’s housing and economic growth planned to 2031, but crucially also sets out the total cost for the fundamental infrastructure needed for this growth at £7billion and identifies a likely funding gap of £2.25 billion. The GIF is being used to provide robust evidence to attract investment and engage with London, southeast partners and key infrastructure providers.

Kent County Council, along with Essex County Council, is also part of a pilot set-up by the Housing & Finance Institute (HFI) that will aim to identify, assess and then unblock infrastructure problems in order to speed up house building. It will pay particular attention to delays caused by lack of utilities or transport connections. The scheme will run until May 2017 and will potentially roll out across the UK later in the year. Other partners in the scheme are: SELEP, the Home Builders Federation, developers Laing O’Rourke and Keepmoat, Anglian Water, and the DCLG.

- 4.6 **The White Paper also only mentions the ‘New Homes Bonus’ briefly, signalling that this had been downgraded as a means to encourage acceptance of development.** The draft Local Government Finance Settlement announced that £240 million of New Homes Bonus monies would be diverted to the social care budget. From 2017-18 councils will only receive New Homes Bonus (NHB) payments on housing built above a baseline of 0.4% growth. Legacy payments of the Bonus have also been cut from six years to five in 2017-18, and only four years in 2018-19. In submissions, District and County Councils networks have criticised this change, pointing out that NHB largely benefit Districts in two-tier areas, while counties deliver social care.

### **Speeding up planning**

- 4.7 **There is a lack of detail in the White Paper on encouraging new Towns or Garden Cities:** The Paper says that the Government will introduce new legislation to allow locally accountable New Towns Development Corporations to be set up in order to better support new garden towns and villages, which the Town and Country Planning Association says is welcome. But they also comment that *“Changes to the New Towns Act will need to be accompanied by a new approach to Government investment in new development, channelling new and existing funds to support up-front infrastructure and affordable homes”*.

In January 2017 the Government announced the creation of 14 new ‘Garden Villages’ of between 1,500 to 10,000 homes to be built outside existing settlements, and three new ‘Garden Towns’. This is in addition to the Government’s announcement in November 2016 confirming the creation of Otterpool Park Garden Town in Shepway, which will deliver up to 12,000 homes with infrastructure such as schools and other essential facilities; the Government will provide £750,000 to ‘kick-start’ work to take forward this development. The Government reportedly intends to issue a further call for expressions for Garden Village proposals in 2017. **This presents the opportunity for other ‘Garden’ developments in Kent.**

## Green Belt

- 4.8 While the Government has pledged to maintain the protections on the Green Belt, there are clearly pressures on those parts of the country, and counties that are surrounded by the Green Belt. David Orr - Chief Executive at the National Housing Federation, has commented that *“Land remains a critical barrier; we know that brownfield land alone is not enough. We urgently need to have honest conversations about how green belt land is used”*.

## Housing Affordability

- 4.9 **There is nothing in the White Paper on relaxing borrowing freedoms for councils, so that they can finance house building:** Speaking at the recent District Councils Network (DCN) conference, Gavin Barwell suggested that areas that deliver on their Local Plans could be granted more flexibility over the borrowing cap for housing. But this is not included in this White Paper. Cllr Martin Tett - Housing Spokesman at the Local Government Association (LGA) has commented that LPAs need access to funding in order to *“resume their historic role as a major builder of affordable homes”*, and that *“This means being able to borrow to invest in housing and to keep 100% of the receipts from properties sold through Right to Buy to replace homes and reinvest in building more of the genuine affordable homes our communities desperately need”*.
- 4.10 **Affordable homes built by local authorities through housing companies will possibly be subject to right-to-buy rules.** The White Paper states that the Government *“want to see tenants that local authorities place in new affordable properties offered equivalent terms to those in council housing, including a right to buy their home”*.

Lord Porter, Chair of the LGA, has said that *“The amount of aggravation [the Government] had extending the right-to-buy to [housing association] properties would be nothing with trying to do it across private companies”*, and that councils would *“just build to sell... if they are threatened with right-to-buy”*. While, John Bibby - Chief Executive of the Association of Retained Council Housing, has said that *“Most local housing companies have been set up to provide homes for market sale or private rent but some have a bit of affordable housing incidental to that and in those cases this could drive a coach and horses through their business plans”*.

Barking & Dagenham LBC became one of the first councils to set up a housing company – ‘Barking and Dagenham Reside’ with 620 properties which it rents out at sub-market rates. John East - Barking & Dagenham LBC’s Director for Growth and Homes has said that *“If Government were to impose this it would undoubtedly affect the business model of many local authority housing companies set up”*.

- 4.11 **‘Starter’ homes:** In January 2017, the Government announced the first wave of 30 local authority partnership areas where ‘Starter homes’ will be constructed, which included the Ebbsfleet Development Corporation. At that time, the houses were to be targeted at first-time buyers between the ages of 23 and 40 years old, at a discount of 20% below market value, and apply to properties worth up to £250,000 outside London, or £450,000 in London. Crucially, this will allow developers to build ‘Starter’ homes without having to contribute towards local social and community infrastructure under the existing Section 106 regime. **This has implications for**

**KCC – for example, in view of its statutory responsibilities as Local Highway Authority and Local Education Authority.**

## **5. Consultations related to the White Paper**

5.1 There is a specific consultation that is separate to this White Paper on 'Planning and affordable housing for Build to Rent', which runs until 1 May 2017. The key proposals are to:

- Change the NPPF so authorities know they should plan proactively for Build to Rent where there is a need, and to make it easier for Build to Rent developers to offer affordable private rental homes instead of other types of affordable housing.
- Ensure that family-friendly tenancies of three or more years are available for those tenants that want them on schemes that benefit from our changes.

5.2 **There are also a range of future consultations detailed in the White Paper:**

5.3 **Methodology for Assessing Housing Requirements:** The NPPF sets out clear criteria but does not prescribe a standard methodology. DCLG will publish a consultation this year, with the outcome reflected in changes to the NPPF. This will consult on what constitutes a reasonable justification for deviating from the standard methodology, and make this explicit in the NPPF.

5.4 **Compulsory Purchase:** The Government will prepare new guidance to LPAs following separate consultation, encouraging the use of their compulsory purchase powers to support the build out of stalled sites.

5.5 **Improving arrangements for capturing uplifts in land value for community benefit.** The Government will explore whether higher contributions can be collected from development as a consequence of land being released from the Green Belt.

5.6 **Planning Fees:** DCLG will increase nationally set planning fees. Local authorities will be able to increase fees by 20% from July 2017 if they commit to invest the additional fee income in their planning department. Government are minded to allow an increase of a further 20% for those authorities who are delivering sufficient new homes, and they will consult further on the detail. DCLG will also consult on introducing a fee for making a planning appeal.

5.7 **Disposal of Land:** The White Paper proposes amending regulations so that all LPAs are able to dispose of land with the benefit of planning consent which they have granted to themselves. This is currently restricted to Unitary authorities and Urban Development Corporations (UDCs). Government will consult on using powers in the Growth and Infrastructure Act 2013 to issue a new General Disposal Consent, which would enable authorities to dispose of land held for planning purposes at less than best consideration without the need for specific consent from the Secretary of State. The consultation will seek views on a threshold below which specific consent would not need to be obtained. They will also consult on revising the existing £2m threshold for the disposal of other (non-housing) land.

5.8 **Renters and Leaseholders:** There will be a consultation early this year, ahead of bringing forward legislation as soon as Parliamentary time allows, banning letting

agent fees to tenants. The Government will also consult on a range of measures to tackle unfair and unreasonable abuses of leasehold.

## **6. Next Steps**

- 6.1 The Housing White Paper is open for consultation until 2 May 2017, and a consultation response will be coordinated by the Growth, Environment and Transport (GET) Directorate.

## **7. Recommendation**

The Growth, Economic Development and Communities Cabinet Committee is asked to consider and make recommendations on the White Paper.

## **8. Background Documents**

The [Housing White Paper – ‘Fixing our broken housing market’](#) published on 7 February 2017.

## **9. Contact details**

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

To: Growth, Economic Development and Communities Cabinet Committee – 22 March 2017

Subject: Transport Improvements to support The Open

Classification: Unrestricted

Electoral Division: Countywide, but with specific reference to Sandwich

**Summary:**

Hosting The Open at Royal St George's Golf Course at Sandwich will substantially raise Kent's profile as a tourism destination. It is likely to have a significant economic impact. Past performance suggests the economic benefit to Kent will be in excess of £77m.

The decision by The Royal & Ancient Golf Club in favour of Royal St George's in 2020 was influenced by the strong support from the Kent and Medway Economic Partnership, the County Council, the four East Kent districts, the South East Local Enterprise Partnership and Network Rail. This included an undertaking to make significant enhancements to Sandwich Station to improve spectators' access to the Royal St George's Golf Course.

**Recommendation(s):**

The Cabinet Committee is asked to welcome the announcement by The Royal and Ancient Golf Club to host The Open 2020 at Royal St George's, and to note the work underway to deliver the associated transport improvements at Sandwich Station.

**1. Introduction**

- 1.1. The Open Championship (The Open) is the oldest of the four major international championships in professional golf. This prestigious event is administered by The Royal and Ancient Golf Club (The R&A) and is the only 'major' outside the United States. It is a 72-hole tournament held annually at one of nine designated links golf courses across the UK. Following The R & A's recent decision, The Open will be returning to Royal St George's Golf Club Sandwich for the fifteenth time.
- 1.2. Transport improvements are required at Sandwich Station to enable the expected number of spectators to access the Royal St George's Golf Course when The Open is underway.
- 1.3. This report gives an overview of these transport improvements, the investment needed to fund these improvements, and the economic impact that The Open delivers to the local economy.

## 2. Economic benefits of hosting The Open

2.1. Hosting The Open delivers significant economic benefit and attracts hundreds of thousands of visitors to the local area. Research undertaken by the Sheffield Hallam University's Sport Industry Research Centre (See appendix 1) provides an economic impact assessment of the 2011 Open at Sandwich.

Year	Golf Course	Economic Benefit	Spectator numbers & television coverage
2011	Royal St George's, Sandwich, England	<p><b>The Open delivered a £77m benefit to the Kent economy.</b></p> <p>This headline figure includes <b>£24.14m</b> of direct spending in Kent attributable to event specific visitors and organisers, as well as a destination marketing benefit worth more than <b>£50m</b> derived from exposure on global television.</p>	<p>A total of <b>180,091</b> spectator admissions were recorded. Of these, 134,000 spectators came from outside of the county.</p> <p>Images of Kent were broadcast to a worldwide audience of nearly 500 million homes.</p>
2012	Royal Lytham & St Annes, England	<p><b>The Open delivered a £65m benefit to Lancashire.</b></p> <p>The headline figure includes <b>£28m</b> of direct spending in Lancashire attributable to event specific visitors and organisers, as well as a destination marketing benefit worth <b>£37m</b> derived from exposure on global television.</p>	<p>A total of <b>181,400</b> spectator admissions were recorded.</p> <p>Over 3,800 hours of televised coverage reached 500 million households worldwide.</p>
2013	Muirfield, Scotland	<p><b>The Open delivered a £88m benefit to Scotland.</b></p> <p>This headline figure includes <b>£24.4m</b> of direct spending in East Lothian and Edinburgh attributable to event specific visitors and organisers, as well as a destination marketing benefit worth <b>£45m</b> derived from exposure on global television.</p>	<p>A total of <b>142,036</b> spectator admissions were recorded.</p> <p>A record 4,500 hours of Open Championship television coverage was broadcast from Muirfield, across 104 television channels.</p>
2014	Royal Liverpool, England	<p><b>The Open delivered a £75m benefit to the regional economy of Wirral and Liverpool.</b></p> <p>This headline figure includes <b>£30m</b> of direct spending in the local economy attributable to event specific visitors and organisers, as well as a destination marketing benefit worth <b>£45m</b> derived from exposure on global television.</p>	<p>A total of <b>202,917</b> spectator admissions were recorded.</p> <p>The televised coverage reached 500 million households worldwide.</p>

2015	St Andrew's, Scotland	<p><b>The Open delivered a £140m benefit to Scotland.</b></p> <p>This headline figure includes <b>£88m</b> of direct spending in Scotland attributable to event specific visitors and organisers, plus destination marketing benefit worth <b>£52m</b> derived from exposure on global television.</p>	<p>A total of <b>237,024</b> spectator admissions were recorded.</p> <p>The televised coverage reached more than 500 million households worldwide.</p>
2016	Royal Troon, Scotland	<p><b>The Open delivered a £110m benefit to Scotland.</b></p> <p>This headline figure includes an economic impact of more than <b>£64m</b>, as well as a destination marketing benefit worth <b>£46m</b> derived from exposure on global television.</p>	<p>A total of <b>173,000</b> spectator admissions were recorded.</p>

2.2. Sheffield Hallam's research showed that the economic benefits are spread beyond the town of Sandwich in Dover District, especially to the neighbouring districts of Shepway, Canterbury and Thanet.

### 3. Transport Improvements at Sandwich Station

3.1. Royal St George's most recently hosted The Open in 2011. A total of 180,091 spectators attended the event. Of these, 37,000 passengers travelled on the special High Speed train service from London St Pancras, operated by Southeastern.

3.2. With such high passenger volumes, the capacity of the local station proved to be insufficient to cope.

3.3. Sandwich station is designed to accommodate 8-carriage trains. Given the high passenger numbers, Southeastern used 12-carriage trains in 2011. The longer trains meant that the level crossing (which regulates the road access to the golf course) had to be closed for long periods. During peak periods, the level crossing was closed for some 40 minutes per hour. This had a knock-on effect, significantly delaying spectators accessing the venue by car, bus and on foot, and resulted in considerable adverse publicity. In addition, the existing passenger bridge over the tracks was not fit to bear the large number of arriving passengers.

3.4. Three transport improvements are required to resolve these logistical challenges:

- Extension of the up and down platforms at Sandwich railway station to accommodate 12 carriage trains.
- Construction of an additional footbridge linking the up and down platform passengers at Sandwich railway station to a pathway leading to the Royal St George's Golf Club.
- Construction of this pathway from the extended up platform to the start of a footpath which links the station to Royal St George's Golf Club avoiding the town centre.

#### **4. Cost estimate and financial contributions**

- 4.1. A feasibility study, a visual site survey and topographic survey of Sandwich station have been undertaken by Network Rail. In late January 2017, their estimated cost of delivering the transport improvements on a semi-permanent basis was identified as approximately £1 million.
- 4.2. To help pay for this work, a financial contribution of £350k was committed by four East Kent District Councils and Kent County Council. The South East Local Enterprise Partnership's (SELEP) Accountability Board agreed, subject to the receipt of a robust business case being received (and the Government providing flexibility in the deployment of Local Growth Funding) to provide another £300k using underspends from other projects. Kent County Council has also undertaken to underwrite SELEP's element of funding in the event that SELEP underspends are not able to be used on this project. If the costs are likely to exceed £1 million there would need to be a further discussion.
- 4.3. In addition, the R&A has committed expenditure to purchase two parcels of land to enable the extended platform to join up with a pedestrian route from the station to Royal St George's, avoiding the town centre, and to enable the positioning of the second bridge to join up with this same pedestrian route. This will further support and enable more spectators to choose to travel to the event by train, minimising the impact on Sandwich's narrow roads.
- 4.4. On 20<sup>th</sup> February 2017, The R&A issued a press release announcing it had selected Royal St George's as the venue for The Open 2020.
- 4.5. Officers from the Growth, Environment and Transport Directorate are putting in place a project team to manage the County Council's involvement.

#### **5. Conclusions**

- 5.1. Hosting The Open significantly raises the county's profile as a key tourism destination and provides a substantial economic impact.
- 5.2. Increasing participation in golf particularly by under-represented groups, has also been one of the R & A's aims.
- 5.3. Royal St George's also has the capacity and layout to host considerably more spectators than in previous years. With transport improvements in place, there is an expectation that the direct economic impact on East Kent and the County as a whole can continue to grow.
- 5.4. The transport improvements at Sandwich Station has initiated conversations with The R&A to secure Royal St George's as the venue for The Open not only in 2020 but also on two more repeat returns. Based on past performance, the anticipated return for the KCC investment would be in excess of £230 million of benefit to the Kent economy by 2036.

## 6. Recommendation(s)

The Cabinet Committee is asked to support the announcement by the Royal and Ancient Golf Club to host The Open 2020 at Royal St George's, and to note the work underway to deliver the associated transport improvements at Sandwich Station.

## 7. Contact details

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**THE OPEN**   
Royal St George's 2011

**ECONOMIC IMPACT ASSESSMENT**

Presented to:

**The R&A**  
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## 1. INTRODUCTION

- 1.1. This report summarises the key findings from research designed to estimate the economic impact of The Open Championship held at Royal St. George's in July 2011. The research was commissioned jointly by The R&A and Dover District Council and undertaken by the Sport Industry Research Centre (SIRC) at Sheffield Hallam University. The research builds on similar work undertaken by SIRC, on behalf of The R&A and Event Scotland, at The Open in 2010.
- 1.2. Consistent with the 2010 study, the calculation of economic impact was in accordance with the economic strand of *eventIMPACTS*<sup>1</sup> - the national event evaluation framework developed by SIRC for UK Sport and its regional partners. Economic impact, measured in terms of the "additional expenditure generated in the defined host economy that would not have occurred in the absence of an event", was calculated at two levels of geography, as indicated below.
  - **East Kent**, comprising the four local authority districts of Canterbury, Dover, Shipway and Thanet. This is hereafter also referred to as the 'local' impact and includes the spending by non-local visitors, for whom The Open was the primary motivation for being in the area, and by organisers using monies originating from outside East Kent.
  - **Kent**, hereafter also the 'regional' impact, including the visitor and organisational expenditure at county level by event-specific visitors and by organisers using monies originating from outside Kent.
- 1.3. An outline map of Kent is presented in Appendix A, with the area that constitutes East Kent highlighted. In order to clarify further how the economic impact calculations have been structured relative to the two levels of geography we offer the following example. Spending in East Kent by someone from Maidstone (in Kent) attending The Open would be eligible for inclusion in the local economic impact estimate but would be excluded from the estimate of the impact on the wider county. Note also that both local and regional estimates exclude spending by 'casual' visitors, that is, people whose attendance at The Open was incidental to their visit to the host area.

## 2. METHODS

- 2.1. A combination of fieldwork and desk research was used to derive the economic impact of The Open 2011 at local and regional level. Primary data was collected from spectators at Royal St. George's using a condensed version of the questionnaire employed in 2010. A copy of the spectator questionnaire is available in Appendix B. In short, the questionnaire was designed to capture the following key information, which was used alongside official spectator attendance figures provided by The R&A to model the additional expenditure attributable to spectators in East Kent and Kent.
  - The number of days spectators attended The Open;
  - Respondents' broad place of residence (i.e. East Kent, elsewhere in Kent, rest of UK or overseas);
  - For visitors from outside East Kent, whether the event was the main reason for being in the area;

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<sup>1</sup> <http://www.eventimpacts.com/economic/>

- Whether respondents were staying overnight, the location and length of overnight stays, the type of accommodation used and associated costs; and,
  - Expenditure on items other than accommodation and tickets in East Kent and elsewhere in Kent.
- 2.2. A total of 1,088 economic impact surveys were conducted with spectators at Royal St. George's between 13<sup>th</sup> and 17<sup>th</sup> July. Results based on a sample size of c. 1,000 responses are subject to a maximum sampling error of +/- three percentage points at the 95% confidence level. In addition, SIRC conducted a further 1,026 interviews with spectators, as part of the pricing research commissioned by The R&A, which also included a key question about respondents' place of residence. Thus, there is robust data upon which to base the economic impact calculations for the spectator group.
- 2.3. The additional expenditure estimates for non-spectator groups (e.g. golfers, officials, media personnel etc.) were derived on the basis of data collected from these groups by SIRC at St. Andrews in 2010 and confirmation of numbers in each group by The R&A. Furthermore, organisers' net spend in East Kent and Kent was estimated based on analysis of income and expenditure breakdowns provided by The R&A.

### 3. ECONOMIC IMPACT FINDINGS

#### *Spectators*

- 3.1. The R&A recorded over 180,000 spectator admissions to Royal St. Georges during the week of The Open Championship in 2011 - see Table 1. Gates were open to the public for the practice days, from Sunday 10th July.

Table 1: Spectator admissions

Date	Admissions
Practice Days (10-13 July)	31,222
14 July	31,545
15 July	42,846
16 July	36,471
17 July	38,007
<b>Total</b>	<b>180,091</b>

- 3.2. The spectator surveys revealed that 13.3% of respondents were either normally resident in East Kent (local residents) or were not present in the area specifically to attend The Open ('casual' visitors). Thus, the local impact calculation is based on c. 156,000 'eligible' admissions. Similarly, the impact calculation at regional level is based on c. 134,000 eligible admissions since 25.6% of respondents either resided in Kent or were casual visitors.
- 3.3. Based on the spectator survey, we estimate that 44.4% (c. 69,200) of eligible admissions by visitors from outside East Kent were made by people staying overnight in the area in paid accommodation (i.e. commercial stayers). At county level, commercial stayers in Kent accounted for 55.4% (c. 74,300) of eligible admissions. Taking into account the average number of days that commercial stayers attended The Open, their dwell time (nights) and the cost per bed night, the local and regional accommodation sectors are estimated to have benefitted from £4.15m and £4.96m in revenue respectively, as shown in Table 2.

Table 2: Derivation of spectators' impact on the accommodation sector

	Local Impact	Regional Impact
Admissions by commercial stayers	69,224	74,301
Avg. days attended	3.11	2.95
<b>Commercial stayers (different people)</b>	<b>22,238</b>	<b>25,229</b>
Dwell time (nights)	3.74	3.71
<b>Commercial bed nights</b>	<b>83,256</b>	<b>93,671</b>
Cost per bed night	£ 49.85	£ 52.96
<b>Accommodation spend</b>	<b>£ 4,150,491</b>	<b>£ 4,960,822</b>

- 3.4. Table 3 shows the expenditure by all eligible spectators (including both overnight stayers and day visitors) on items other than accommodation (e.g. food and drink etc.). On average, and excluding accommodation, each eligible admission to The Open was worth £52.49 to the local economy and £63.13 regionally. In aggregate terms, this equates to £8.19m in East Kent and £8.46m in Kent overall.

Table 3: Other spending by eligible spectators

	Local Impact			Regional Impact		
	<i>Spend Per Eligible Admission</i>	<i>Eligible Admissions</i>	<i>Total Spend</i>	<i>Spend Per Eligible Admission</i>	<i>Eligible Admissions</i>	<i>Total Spend</i>
<b>East Kent</b>	<b>£ 52.49</b>	<b>156,056</b>	<b>£ 8,190,904</b>	£ 55.69	134,055	£ 7,466,218
Elsewhere in Kent	£ 7.43			£ 7.43	134,055	£ 996,662
<b>Kent Overall</b>	<b>£ 63.13</b>			<b>£ 63.13</b>	<b>134,055</b>	<b>£ 8,462,880</b>

- 3.5. Bringing together the data from Table 2 and Table 3, the total additional expenditure attributable to spectators amounted to £12.34m in East Kent and £13.42m in Kent overall. The report now considers the impact of the other groups connected with The Open.

### Other Groups

- 3.6 As referred to previously, the calculation of the additional expenditure estimates for non-spectator groups utilised the data collected from these groups at The Open in 2010, albeit the estimates have been adjusted to account for the different geographic boundaries involved in 2010 and 2011. Table 4 (overleaf) shows the number of eligible individuals included in the economic impact calculation for each group and their estimated expenditure on accommodation and other items. The collective additional expenditure by golfers (and their entourages), event staff (i.e. officials, volunteers and contractors) and the media is estimated at £4.42m in East Kent and £4.59m in Kent.
- 3.7. The Open 2011 was supported by patrons including Doosan, HSBC, Mercedes Benz, Nikon and Rolex. The activation spend by official patrons in Kent, over and above the rights fees paid in order to be associated with The Open, is estimated at £1.06m, of which 67% or £0.71m is estimated to have been spent in East Kent<sup>2</sup>.

<sup>2</sup> The figure for Kent is assumed to be commensurate with the corresponding figure for Fife in 2010. The estimated spend in East Kent is calculated as the proportion of patrons' spend in Fife relative to Scotland in 2010.

Table 4: Additional expenditure by golfers, event staff and media personnel

Group		Local Impact	Regional Impact
Golfers & entourages*	Eligible number	1,246	1,243
	Accommodation spend	£ 772,128	£ 771,376
	Other spend	£ 416,606	£ 414,205
	<b>Total spend</b>	<b>£ 1,186,734</b>	<b>£ 1,185,582</b>
Event staff	Eligible number	5,456	4,938
	Accommodation spend	£ 1,443,204	£ 1,552,066
	Other spend	£ 901,235	£ 889,578
	<b>Total spend</b>	<b>£ 2,344,439</b>	<b>£ 2,441,644</b>
Media	Eligible number	1,898	1,814
	Accommodation spend	£ 604,596	£ 646,513
	Other spend	£ 286,545	£ 311,463
	<b>Total spend</b>	<b>£ 891,141</b>	<b>£ 957,976</b>
Overall	Eligible number	8,600	7,995
	Accommodation spend	£ 2,819,928	£ 2,969,955
	Other spend	£ 1,602,386	£ 1,615,247
	<b>Total spend</b>	<b>£ 4,422,314</b>	<b>£ 4,585,201</b>

\* Figures are inclusive of estimates for the Local Final Qualifying events.

### Organisational Spend

- 3.8. Based on information provided by The R&A, we estimate that the total expenditure in Kent linked to the organisation of The Open 2011 (not accounted for elsewhere in this report) was £2.52m. Of this amount, £1.17m (47%) is estimated to have been spent in East Kent. Analysis of The Open's income streams indicates that £1.80m of the event's total revenue was generated from within Kent, of which, we estimate c. £1m (55%) originated in East Kent. Allowing for monies originating locally and spent locally, the net organisational spend in East Kent is calculated at £0.18m. The corresponding figure for Kent overall is £0.72m.

### Direct Economic Impact

- 3.9. The direct economic impact of The Open 2011 at the two levels of geography is summarised in Table 5. The additional expenditure by the different visitor groups and by the organisers in East Kent was **£17.65m**; the corresponding figure for Kent was **£19.78m**. These figures include substantial revenue for accommodation providers, valued at £6.97m and £7.93m in East Kent and Kent respectively. The bulk of the additional expenditure, more than two-thirds in each catchment area, was attributable to spectators. The direct economic impact estimates provide an appropriate baseline to compute the total economic impact (including indirect and induced effects) on the economies concerned using multiplier analysis.

Table 5: Direct economic impact

Group	East Kent	Kent
Spectators	£ 12,341,395	£ 13,423,702
Golfers & entourages	£ 1,186,734	£ 1,185,582
Event staff	£ 2,344,439	£ 2,441,644
Media	£ 891,141	£ 957,976
Patrons	£ 709,451	£ 1,055,844
Organisers	£ 180,425	£ 719,785
<b>Direct Economic Impact</b>	<b>£ 17,653,584</b>	<b>£ 19,784,532</b>

### *Total Economic Impact*

- 3.10. In order to estimate the total economic impact of The Open we have borrowed appropriate multiplier values for East Kent and Kent from a recent study by Tourism South East<sup>3</sup>. At county level, the tourism multiplier is 1.22, which means that each £1 of additional expenditure in Kent results in subsequent expenditure of £0.22. At local level, the multiplier values range from 1.17 for Dover to 1.21 for Canterbury. For the entire East Kent area, the multiplier effect is 1.20. Based on the multiplier values quoted above, the total economic impact of The Open 2011 on East Kent is calculated at **£21.18m** (i.e. £17.65m x 1.20). The corresponding figure for Kent is **£24.14m** (i.e. £19.78m x 1.22).

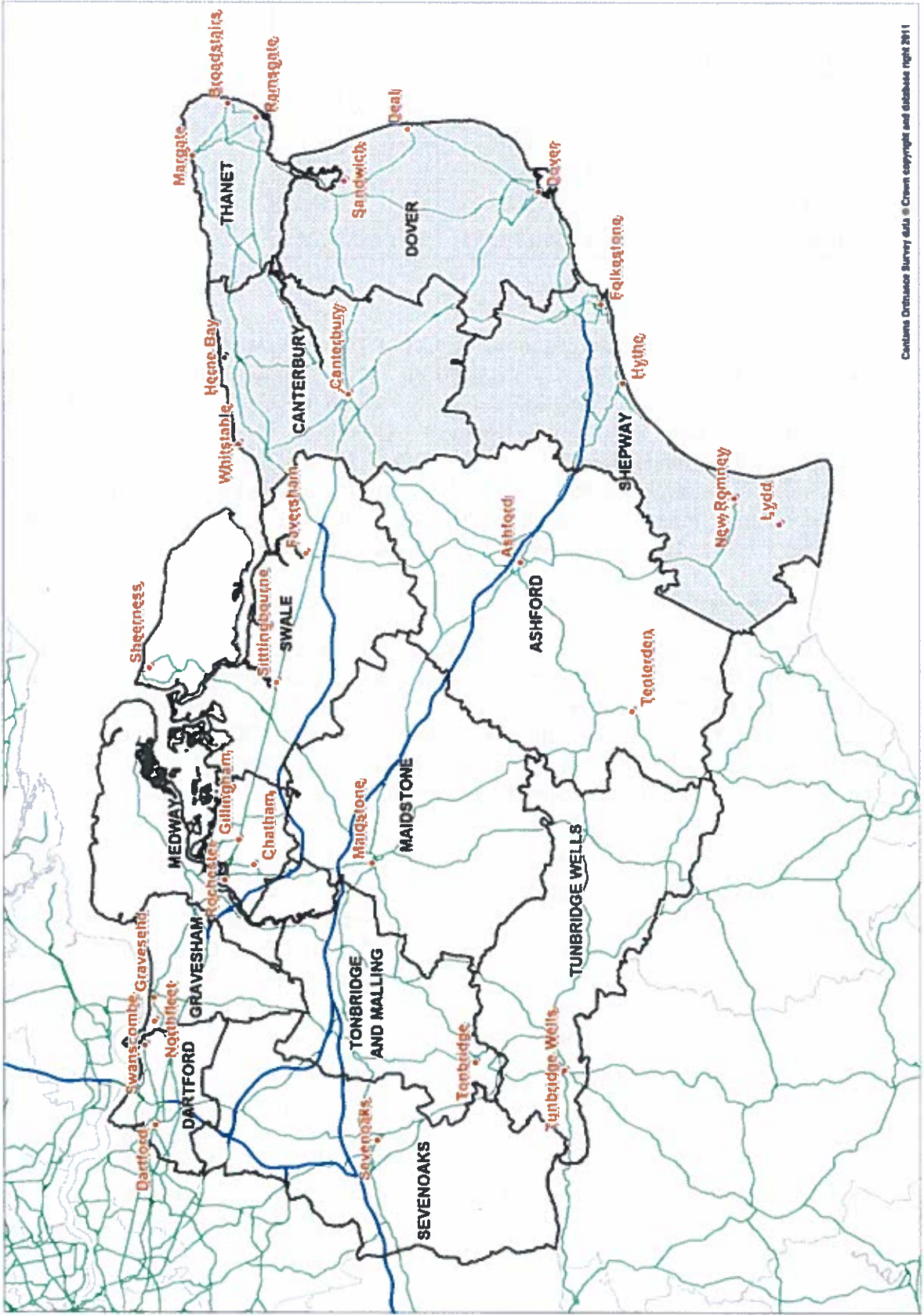
## 4. CONCLUDING COMMENTS

- 4.1. The Open Championship returned to Royal St. George's (Kent) in 2011 for the first time since 2003. Based on primary research with spectators and complementary desk analysis, it is our view that the event delivered a significant injection of new money into the county, particularly in the four local authorities that constitute East Kent. The economic impact findings alone vindicate Kent County Council, Dover District Council and supporter's decision to make a financial contribution towards The Open, especially when considered from a return on investment perspective.
- 4.2. Hosting the event also provides an excellent platform for promoting Kent as a visitor destination to audiences around the world via the extensive amount of coverage achieved by The Open in the national and international media. For example, the monetary value associated with the global television exposure of the 2010 Open Championship, presenting Scotland as the 'The Home of Golf', was calculated at more than £50m<sup>4</sup>. Although beyond the scope of this investigation, such place marketing has the potential to generate longer term tourism benefits for the host economy.
- 4.3. In conclusion, Kent County Council and Dover District Council, alongside other relevant local and regional agencies (e.g. Visit Kent), should endeavour to work in partnership with The R&A to ensure that Royal St. George's continues to host The Open on a regular, and if feasible, more frequent basis. Such a partnership approach will help to ensure that the local and regional economies benefit from the multi-million pounds of additional spending generated as a result of hosting the event and preserve the international sporting profile of the host area.

<sup>3</sup> [http://www.visitkentbusiness.co.uk/library/researchdevelopment/Kent\\_Tourism\\_Economic\\_Impact\\_in\\_2009\\_Report.pdf](http://www.visitkentbusiness.co.uk/library/researchdevelopment/Kent_Tourism_Economic_Impact_in_2009_Report.pdf)

<sup>4</sup> <http://www.scottish-snlcrise.presscentre.com/Press-releases/Scotland-drives-ahead-as-impact-of-Open-Championship-is-announced-35a.aspx>

**APPENDIX A: MAP OF KENT / EAST KENT**



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From: John Lynch (Head of Democratic Services)

To: Growth, Economic Development and Communities Cabinet Committee – 22 March 2017

Subject: **Work Programme 2017**

Classification: **Unrestricted**

Past and 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:** The Growth, Economic Development and Communities Cabinet Committee is asked to consider and agree its Work Programme for 2017.

## 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 Clark, 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 2017**

- 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 Clark, 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 of 7 February 2017, when items for this meeting's agenda and future agenda items were agreed. 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 The schedule of commissioning activity 2015-16 to 2017-18 that falls within the remit of this Cabinet Committee will be included in the Work Programme and considered at future agenda setting meetings to support more effective forward agenda planning and allow Members to have oversight of significant services delivery decisions in advance. The next agenda setting meeting is scheduled for 20 April 2017.
- 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><b>5. Recommendation:</b> The Growth, Economic Development and Communities Cabinet Committee is asked to consider and agree its Work Programme for 2017.</p>
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- 6. Background Documents:** None

**7. Contact details**

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**GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES**  
**CABINET COMMITTEE**  
**WORK PROGRAMME 2017**

*(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)*

<b>STANDARD AGENDA ITEMS</b>	
<b>Item</b>	<b>Cabinet Committee to receive item</b>
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 (March)
Directorate Business Plan	Annually (March)
Work Programme	At each meeting

Agenda Section	Items
<b>Thursday 8 June 2017</b>	
<b>A – Committee Business</b>	<ul style="list-style-type: none"> <li>• Declarations of interest</li> <li>• Minutes</li> <li>• Verbal Updates</li> <li>• PRESENTATION</li> </ul>
<b>B - Key or Significant Decisions for Recommendation or Endorsement</b>	<ul style="list-style-type: none"> <li>• Faversham Creek</li> </ul>
<b>C – Other Items for comment / recommendation</b>	<ul style="list-style-type: none"> <li>• European Funding</li> <li>• Outcome Report on Government Libraries, Registration and Archives Task force Report (J Pearson) (Deferred from March 2017)</li> <li>• Work Programme 2017</li> </ul>
<b>D - Performance Monitoring and Contract Management</b>	<ul style="list-style-type: none"> <li>• Portfolio Dashboard</li> <li>• Contract Management</li> </ul>
<b>Wednesday 6 September 2017</b>	
<b>A – Committee Business</b>	<ul style="list-style-type: none"> <li>• Declarations of interest</li> <li>• Minutes</li> <li>• Verbal Updates</li> <li>• PRESENTATION</li> </ul>
<b>B - Key or Significant Decisions for Recommendation or</b>	

<b>Endorsement</b>	
<b>C – Other Items for comment / recommendation</b>	<ul style="list-style-type: none"> <li>• Opportunities for Kent film and broadcast media</li> <li>• Work Programme 2017</li> </ul>
<b>D - Performance Monitoring and Contract Management</b>	<ul style="list-style-type: none"> <li>• Portfolio Dashboard</li> <li>• Contract Management</li> <li>• Equality and Diversity Annual Report</li> </ul>
<b>Tuesday 21 November 2017</b>	
<b>A – Committee Business</b>	<ul style="list-style-type: none"> <li>• Declarations of interest</li> <li>• Minutes</li> <li>• Verbal Updates</li> <li>• PRESENTATION</li> </ul>
<b>B - Key or Significant Decisions for Recommendation or Endorsement</b>	
<b>C – Other Items for comment / recommendation</b>	<ul style="list-style-type: none"> <li>• Budget Consultation</li> <li>• Work Programme 2018</li> </ul>
<b>D - Performance Monitoring and Contract Management</b>	<ul style="list-style-type: none"> <li>• Portfolio Dashboard</li> <li>• Contract Management</li> </ul>

Items that have not been allocated to a meeting	
<b>A – Committee Business</b>	<ul style="list-style-type: none"> <li>• PRESENTATIONS</li> <li>• Margate Seafront</li> <li>• Presentations on the Ashford District Deal</li> <li>• Ebbsfleet Garden City</li> </ul>
<b>B - Key or Significant Decisions for Recommendation or Endorsement</b>	<ul style="list-style-type: none"> <li>• Otterpool Garden Town (<i>await Gov announcement</i>)( Thames Estuary Commission</li> </ul>
<b>C – Other Items for comment / recommendation</b>	<ul style="list-style-type: none"> <li>• Theme Park project on Swanscombe Peninsula – regular updates</li> <li>• Ebbsfleet Development Corporation - Tom Marchant</li> <li>• Mobile phone masts: Kent should aim for 4G or Superfast Broadband as minimum standard. Check out 4G coverage; different providers have different coverage.</li> <li>• Trading Standards – 6 monthly updates (<i>last report - May 2016</i>)</li> <li>• A series of items focussing on economic transformation (digital, low carbon, internationalism)</li> <li>• District focussed presentation on what is happening to support local growth <i>would need to be meaningful, maybe look at areas instead of districts.</i></li> </ul>
<b>D - Performance Monitoring and Contract Management</b>	

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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 – 22 March 2017

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 performance 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 Directorate Business Plans. The Dashboard also includes a range of activity indicators which help give context to the Key Performance Indicators.
- 2.3. The current Dashboard provides results up to the end of December 2016.
- 2.4. 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.
- 2.5. For Economic Development, The total of 3,960 Full Time Equivalent jobs is comprised of 2,348 created and 1,612 safeguarded. The total is slightly behind target due to delays in project delivery and provision of sufficient evidence to confirm jobs created. The number of properties brought back to use through No Use Empty (NUE)

is 358 at the end of December. Over the course of the NUE programme a total of 4,803 properties have been brought back to use.

- 2.6. Customer satisfaction is above target for birth and death registrations, and for ceremonies. Satisfaction with libraries is slightly below target, but this is based on a limited sample which is only indicative at this point. The number of customers using the home library outreach service has not reached levels expected following the mobile library redesign due to lower levels of need than anticipated. LRA is continuing to pro-actively promote the service (across the county) as a positive alternative choice for customers unable to access the service in other ways. The number of customers attending events in libraries and archives has increased from this time last year, and more volunteers are being sought to further improve this offer. The percentage of automated book renewals and birth registration appointments booked on line are increasing and are higher than last year.
- 2.7. Sports income has increased to over £2 million levered into Kent at the end of October. Participation of young people in programmes coordinated by the Sport and Physical Activity Service is a little behind target, but numbers are expected to increase in the final quarter.

### **3. Recommendation(s):**

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

## **4. Background Documents**

The Council's Directorate Business Plans:

<http://www.kent.gov.uk/about-the-council/strategies-and-policies/corporate-policies/business-plans>

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# **Growth, Economic Development and Communities Performance Dashboard**

## **Financial Year 2016/17**

### **Results up to end of December 2016**

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**Produced by Strategic Business Development & Intelligence**

**Publication Date: February 2017**



## Guidance Notes

### RAG RATINGS

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

Floor standards are pre-defined minimum standards set in Directorate Business Plans 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 **Above** or **Below**.

## Key Performance Indicators Summary

<b>Economic Development</b>	<b>YTD RAG</b>
Confirmed FTE jobs created/safeguarded through RGF (cumulative since start of schemes)	<b>AMBER</b>
Number of homes brought back to market through No Use Empty	<b>GREEN</b>
External investment secured through European funding to deliver Kent-wide priorities	<b>GREEN</b>

<b>Libraries, Registrations and Archives</b>	<b>YTD RAG</b>
Customer satisfaction with birth and death registration	<b>GREEN</b>
Customer satisfaction with ceremonies	<b>GREEN</b>
Customer satisfaction with libraries	<b>AMBER</b>
Number of customers using outreach services	<b>RED</b>
Number of customers attending events in libraries and archives	<b>AMBER</b>
Percentage of automated book renewals	<b>AMBER</b>
Percentage of birth registrations booked online	<b>AMBER</b>

<b>Sports</b>	<b>YTD RAG</b>
Sports – Income levered into Kent (£000s)	<b>GREEN</b>
Participation of young people aged 11 - 25 in programmes coordinated by the Sport and Physical Activity Service	<b>AMBER</b>

Division	Director	Cabinet Member
Economic Development	David Smith	Mark Dance

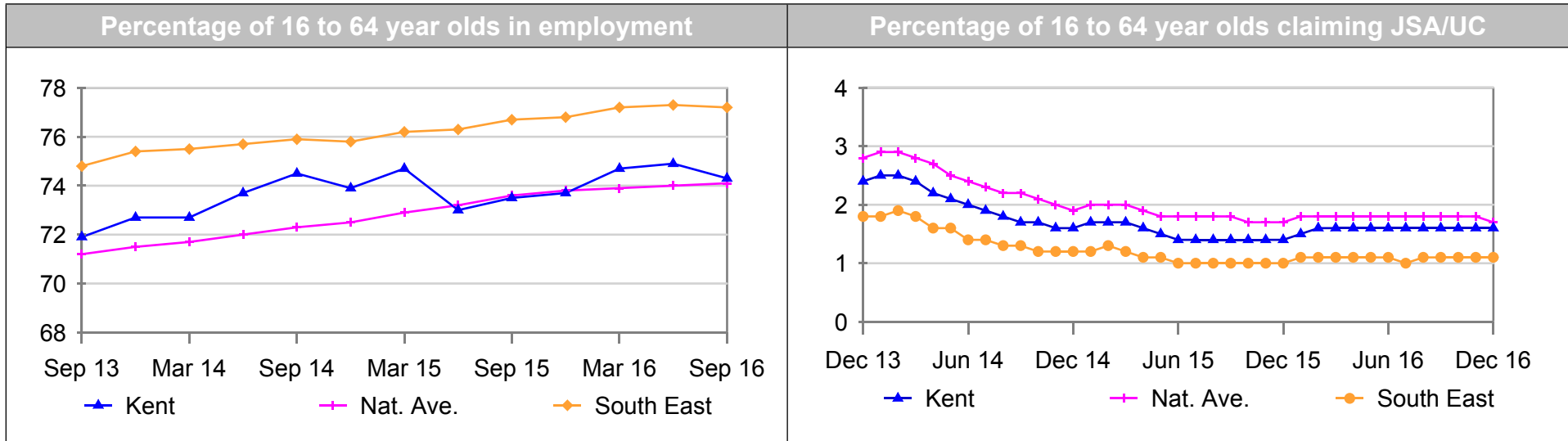
Ref	Performance Indicators	YTD	YTD RAG	YTD Target	YTD Floor	Pr. Yr. YTD
ED04	Confirmed FTE jobs created/safeguarded through RGF (cumulative since start of schemes)	3,960	AMBER	4,000	3,400	2,645*
ED05	Number of homes brought back to market through No Use Empty	358	GREEN	300	270	382
ED07	External investment secured through European funding to deliver Kent-wide priorities	£14.2m	GREEN	£4.9m	£4.4m	N/a

\*September figure, no return for December.

ED04 - The total of 3,960 Full Time Equivalent jobs is comprised of 2,348 created and 1,612 safeguarded. The total is slightly behind target due to delays in project delivery and provision of sufficient evidence to confirm jobs created.

ED07 – This figure includes partner projects with KCC involvement. KCC projects alone secured £7.2m

<b>Division</b>	<b>Director</b>	<b>Cabinet Member</b>
<b>Economic Development</b>	<b>David Smith</b>	<b>Mark Dance</b>



The indicators above provide contextual information on the general state of the Kent economy.

The percentage of 16 to 64 year olds in employment is derived from the Annual Population Survey (APS) which is a sample survey. The results of the survey come with statistical confidence intervals, which for Kent are plus or minus 1.9%. Those not in employment include individuals who are students, looking after family/home, temporary or long term sick, and retired.

The percentage of the population claiming Job Seekers Allowance (JSA), or Universal Credit (UC) and seeking work, (the claimant count), is a good proxy measure for unemployment and is a 100% count of claimants. The claimant rate is currently low compared to past trends and has been largely stable for the last 18 months. The number of people unemployed, as defined by the International Labour Organisation (ILO) and as estimated by the APS, includes individuals on other benefit types and also those not on benefits but seeking work, and this definition results in a higher percentage than the claimant count.

Service Area	Head of Service	Cabinet Member
Libraries, Registrations and Archives	James Pearson	Mike Hill

### Quarterly indicators

Ref	Performance Indicators	Year to Date	YTD RAG	Target YTD	Floor YTD	Prev. Yr.
LRA06	Customer satisfaction with birth and death registration	97%	GREEN	95%	90%	94%
LRA07	Customer satisfaction with ceremonies	97%	GREEN	95%	90%	98%
LRA12	Customer satisfaction with libraries	93%	AMBER	95%	90%	94%
LRA14	Number of customers using outreach services (snapshot)	1,458	RED	1,570	1,470	1,508
LRA15	Number of customers attending events in libraries and archives	156,466	AMBER	159,100	151,400	153,857

LRA12 - To date we have only received 398 replies to the survey. We will be emailing the survey to our current customers in March. When we did this last year we received over 8,000 responses which will give us a statistically sound result.

LRA 14 - The number of customers using the home library service has not increased as much as anticipated, despite its promotion. It was estimated that as part of the mobile redesign, extra customers would take up the Home Library service but this has not happened.

LRA15 – Numbers attending Events up are up on last year but slightly behind target.

Ref	Activity Indicators	Year to date
LRA06b	Number of customers surveyed for satisfaction with birth and death registration	1,698
LRA07b	Number of customers surveyed for satisfaction with ceremonies	1,070
LRA12b	Number of customers surveyed for satisfaction with libraries	398



Service Area	Head of Service	Cabinet Member
Libraries, Registrations and Archives	James Pearson	Mike Hill

### Monthly Indicators

Ref	Performance Indicators	Latest Month	Month RAG	DOT	Year to Date	YTD RAG	Target YTD	Floor YTD	Prev. Yr. YTD
DT11	Percentage of automated book renewals	72%	AMBER	↔	72%	AMBER	73%	69%	70%
DT12	Percentage of birth registration appointments booked online	72%	AMBER	↑	69%	AMBER	72%	66%	69%

DT 11 - The percentage of automated book renewals (DT11) is close to target and ahead of last year.

DT 12 - The percentage of birth appointments (DT12) that are booked online has been steadily increasing since August and is now close to target.

Ref	Activity Indicators	Year to date	Prev. Yr YTD
DT11b	Number of book renewals (000s)	1,100	1,145
DT12b	Number of birth registration appointments	14,400	14,000

Service Area	Head of Service	Cabinet Member
Libraries, Registrations and Archives	James Pearson	Mike Hill

### Activity Indicators

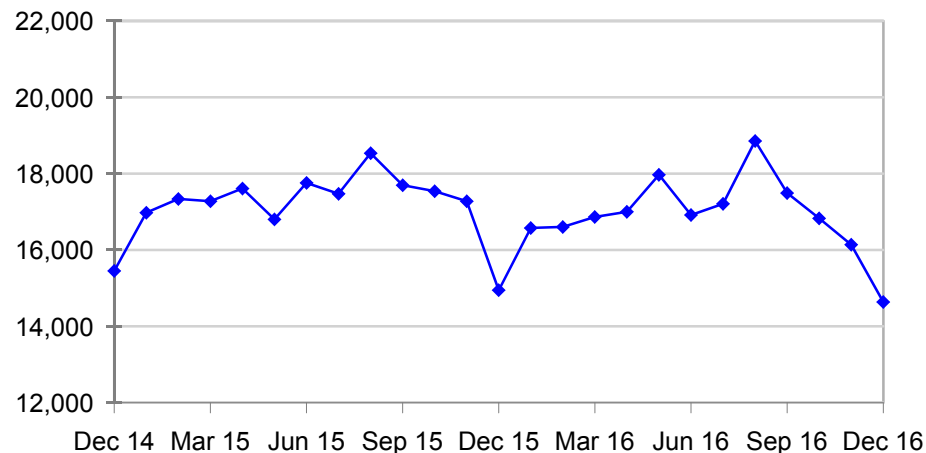
Ref	Activity Indicators	Year to date	In expected range?	Expected Activity		Prev. Yr YTD
				Upper	Lower	
LRA01	Average number of visits to libraries per day (excludes mobile libraries)	17,010	<b>Above</b>	16,760	15,320	17,300
LRA02	Average number of books issued per day (includes audio- and e-books)	15,900	Yes	16,620	15,200	16,650
LRA04	Average number of daily online contacts to the service	3,700	Yes	3,900	3,580	2,420
LRA05	Number of ceremonies conducted by KCC officers	5,800	Yes	5,800	5,170	5,670

LRA01 – The number of library visits this year has been encouraging and are above our predicted upper level of activity.

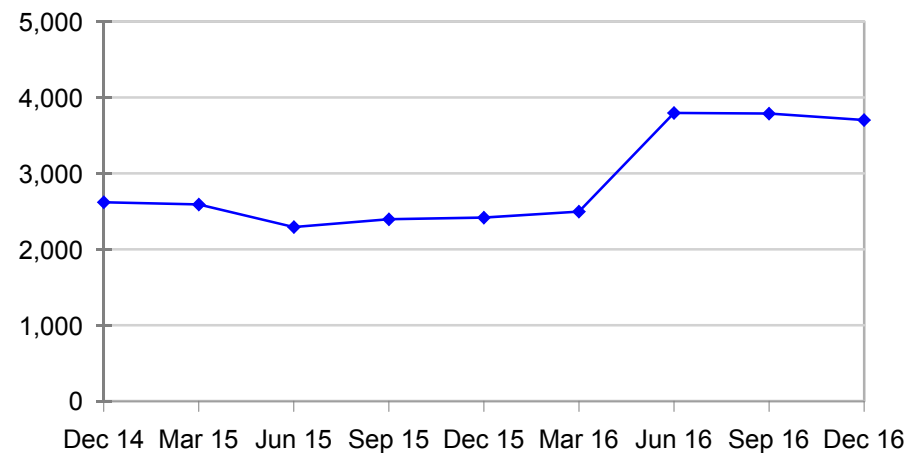
LRA04 – Online contacts this year includes digital Apps usage, as well as traditional web page visits - this is a change from previous year, so figures are not directly comparable.

Service Area	Head of Service	Cabinet Member
Libraries, Registrations and Archives	James Pearson	Mike Hill

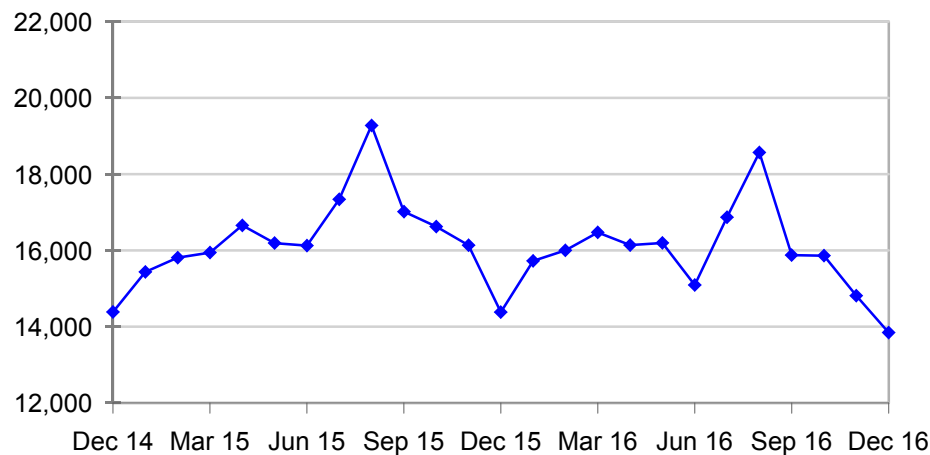
LRA01 - Number of visits to libraries per day



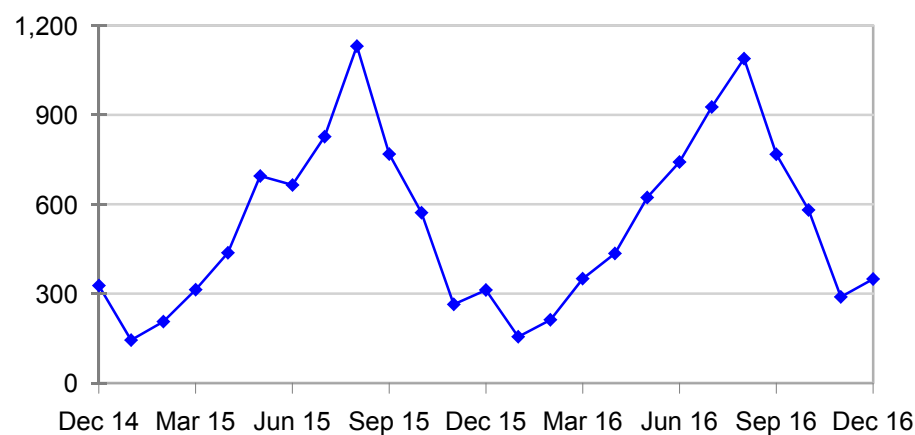
LRA04 - Average number of daily online contacts



LRA02 - Number of books issued per day



LRA05 - Number of ceremonies conducted by KCC officers



Division	Director	Cabinet Member
Sports	Katie Stewart	Mike Hill

Ref	Performance Indicators	Year to Date	YTD RAG	Target YTD	Floor YTD	Prev. Yr. YTD
EPE09	Sports – Income levered into Kent (£000s)	2,084	GREEN	1,872	1,503	2,081

Ref	Performance Indicators	Year to Date	YTD RAG	Target YTD	Floor YTD	Prev. Yr. YTD
EPE10	Participation of young people aged 11 - 25 in programmes coordinated by Sport and Physical Activity Service	1,928	AMBER	2,190	1,725	2,090

EPE10 – Expectations are for an increase in numbers as the year end approaches, and projects return data in the final quarter. A small number of projects started late which may impact on the total, but it is anticipated that the year-end target will be reached.

By: Mark Dance, Cabinet Member for Economic Development

To: Growth, Economic Development and Communities Cabinet Committee  
– 22 March 2017

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

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### Summary Headline

- **Job Creation and Jobs Safeguarded:** the figures have increased since the last report.
- **Monitoring Returns:** Out of the 210 companies being reported on during this period there has been a decrease of companies risk rated as Green or Amber (75%); the Red rated companies are now 25%. Last quarter, the respective percentages were 85% Green and Amber and 15% Red. In the Escalate scheme an additional eight companies have been RAG rated RED and an additional 14 companies were RAG rated RED in the Expansion East Kent scheme
- **Outstanding Debt:** Although the total outstanding debt is currently recorded as £3,528,143, equated to 6.28% of overall funds defrayed, it is important to note:
  - £352,254 has been recovered/agreed with the administrators.
  - £1,498,729 is confirmed as being non recoverable.
  - The recovery of the remaining debt (£1,677,160) is being pursued.
  - £15,000, which was previously reported as bad debt, is now being repaid due to action taken by officers in pursuing the debt.

### Recommendation

To note the report

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#### 1. Background Information

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

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

1.2 These schemes provide funds for companies with investment plans that will lead to job creation. For the majority of the companies the loan finance is provided at 0% interest,

with a repayment period of between 5 and 7 years. The schemes have also allocated grants and equity investments.

- 1.3 This report provides an update on the allocation of funds to companies in the format previously agreed by the Growth, Economic Development and Communities Cabinet Committee.

## 2. Update on all RGF Schemes

- 2.1 As of 31 December 2016, KCC has committed £56.3 million (£55m plus accrued interest and recyclable funds) across the three RGF schemes since April 2012.
- 2.2 These companies have loan agreements to create 4,097 jobs and will leverage in over £88 million, from private and public sector investment. The overall job target is 6,910 jobs to be created or safeguarded and this includes the period of recyclable funds. The monitoring returns covering the period October 2016 to December 2016 include evidence of employment contracts for the creation of 2,348 jobs and safeguarded of 1,610.

Job Status	Target to Date	Actuals to Date	Percentage against target
Jobs Created	2,776	2,348	85% (Green)
Jobs Safeguarded	1,486	1,610*	108% (Green)

\* There has been a small reduction in the number of safeguarded jobs figure since the previous quarter due to a few companies showing a reduction in the number of staff in safeguarded roles. This figure is still exceeding its target.

- 2.3 Additionally, within this monitoring period, one loan to the value of £90,000 has been reported as bad debt and one loan to the value of £15,000 which was previously reported as bad debt is now repaying their loan. The cumulative total of the companies who have defaulted on their loans is as follows:-

Bad Debts previously reported in Red Category A:	No of Companies	Percentage of number of companies supported	Loan Value	Percentage of overall defrayed funds
				<b>£56,383,859</b>
<b>Total Bad Debt</b>	21	8.7%	£3,528,143	6.26%

## 3. Detailed Cumulative Summary of Monitoring

- 3.1 As part of the loan agreement, each company is contracted to provide quarterly monitoring returns. These returns are in arrears of the previous quarter, and upon receipt and internal validation, one of the following RAG ratings is applied:-

- Green Risk Status: full return received and no outstanding issues.
- Amber Risk Status: partial return received and/or issues re contracted milestones.
- Red Risk Status: non return received and non-achievement of key milestones; loan repayment, job outcomes and/or delay to planned objectives.

3.2 The following table provides a headline summary of actual performance against contractual target for all three RGF programmes for the period of October 2016 to December 2016. It has resulted in **Green** 112, **Amber** 46 and **Red** 52:

No of companies in monitoring reporting cycle	No of companies reporting on	No of companies in <b>Green Risk Status</b>	No of companies in <b>Amber Risk Status</b>	No of companies in <b>Red Risk Status</b>
242	210	112 (53%)	46 (22%)	52 (25%)
<b>Loan Values</b>				
£55,414,910	£45,170,473	£24,948,806	£14,030,273	£6,191,394

Out of the 210 companies within this monitoring reporting cycle, 75% (158) fall within green and amber. This equates to a monetary loan value of £38,979,079.

#### 4. Details of Red Risk Status

4.1 The table below provides details on 52 companies (25%) that have been rated as **RED** risk status. The red risk status falls into three categories as follows:

<b>Breakdown of Red Risk Status</b>  <b>25%</b>	<b>Category A Non Payment of Debt</b>	<b>Category B Nil Return of Monitoring Form</b>	<b>Category C Significant shortfall on milestones / targets</b>
No of Companies	1 *	13 (6%)	39 (19%)
Combined Loan Value	£90,000	£709,266	£5,482,128
Actions to be taken	Companies in Administration	Follow up emails and site visits	Companies under review variations of contract offered

\* Excluded from figures in 3.2 due to being bad debt.

4.2 The cumulative total of the companies who have defaulted on the loans is as follows:-

<b>Cumulative Bad Debts</b>	<b>No of Companies</b>	<b>Percentage of number of companies supported</b>	<b>Loan Value</b>	<b>Percentage of overall defrayed funds</b>
<b>Previous Bad Debt</b>	21	8.7%	£3,453,143	£56,383,859
<b>Current Quarter Bad Debt</b>	1	0.4%	£90,000	
<b>Total Bad Debt</b>	21*	8.7%	£3,528,143	6.26%

\* One company which had been previously classified as bad debt is now repaying the loan due to action taken by officers. Therefore, although there was one additional company which is now classified as bad debt, another company has been removed from the total with a total loan of £15,000.

4.3 Of the 21 companies which have gone into liquidation or in the process of going into administration, KCC Legal and Internal Audit have been advised as appropriate and are working with the RGF manager to recover the maximum amount of loan value.

## 5. Profile for Repayments of Funds (as at 31 December 2016)

- 5.1 There are two loan repayment periods within each financial year; September and March. The cumulative estimated amount to be received by September 2016 was £10,103,611. The actual amount received to date is £9,624,335, which represents an achievement of 95%. The table below provides details of the repayment profile.

<b>2013/14 Target and Actual</b>	<b>2014/15 Target and Actual</b>	<b>2015/16 Target and Actual</b>	<b>2016/17 Sep 16 Target and Actual</b>	<b>TOTAL TO DATE</b>
Target= £338,548 Actual = £338,548	Target = £1,445,707 Actual = £1,445,711	Target= £5,077,097 Actual= £4,986,274	Sep 16 Target= £3,242,259 Actual= £2,853,802	<b>Target=£10,103,611 Actual=£9,624,335 95%</b>
<b>2016/17 Mar 17 Targets</b>	<b>2017/18 Target</b>	<b>2018/19 Target</b>	<b>2019/20 Target</b>	<b>2020/21 Target</b>
Mar 17 £4,399,692	£8,186,054	£7,296,533	£5,335,959	£4,242,346
<b>Total Repayment due by 2021 = £39,564,195</b>				

## 6. Delivery of Schemes

- 6.1 Annex 1 provides full details on the monitoring returns of the **Expansion East Kent programme**.
- 6.2 Annex 2 provides full details on the monitoring returns of the **Tiger programme**.
- 6.3 Annex 3 provides full details on the monitoring returns of the **Escalate programme**.

Report author: Jacqui Ward  
 Strategic Programme Manager (Business Investment)  
 jacqui.ward@kent.gov.uk  
 Tel: 03000 417196



## Expansion East Kent Programme

### Background Information

The Expansion East Kent Programme was launched in December 2012. As at 31 December 2016 KCC had committed 160 investments totalling £36.2m to 153 companies within the local authority areas of Ashford, Canterbury, Dover, Shepway and Thanet. The main programme was suspended on 1 February 2015 and is no longer open to new applicants. The Small Business Boost programme was closed in January 2016.

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

### 1. Funding Awarded

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

Expansion East Kent & Small Business Boost Scheme	Funds Awarded £	Private Investment £	No of Companies	No of jobs to be created	Saved posts	Total no of Jobs created/safeguarded posts
Ashford	250,500	115,578	9	25	6	31
Canterbury	8,714,680	9,190,925	44	1,264	89	1,353
Dover	15,131,357	28,377,539	34	688	246	934
Shepway	6,263,468	10,075,900	25	487	130	617
Thanet	6,026,256	8,901,781	41	415	270	685
<b>Total</b>	<b>£36,386,261</b>	<b>£56,661,723</b>	<b>153</b>	<b>2879</b>	<b>741</b>	<b>3,620</b>

<b>Total Committed Funding</b>	<b>£36,386,261</b>	<b>£56,661,723</b>	<b>153</b>	<b>2,879</b>	<b>741</b>	<b>3,620</b>
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1.2 Within the Expansion East Kent scheme, there is:

- (a) an equity programme, whereby the Investment Advisory Board, agreed to ring fence and commit, £5 million. All the funds for equity investments have been committed.
- (b) a small loan scheme, Small Business Boost, whereby the Investment Advisory Board agreed to ring fence £1 million, from the original £35m. All of the original allocation for Small Business Boost has been committed and defrayed. An additional allocation (£602,648), from the accrued interest and recycled loan repayments, as directed by the Investment Advisory Board, has been made available. Total amount defrayed is £1,602,648.

## 2. Defrayment of Funds (to include additional allocation to SBB)

- 2.1 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 committed and defrayed as at 30 <sup>th</sup> September	= £35,639,070}	£36,294,019
Estimated funds remaining to be defrayed	£654,949}	

## 3. Profile for Repayments of Funds (as at 31 December 2016)

- 3.1 All repayment of loans and returns on Equity Investments will be reinvested into future financial support programmes for businesses. The table below provides details on the repayment profile. The total amount to be repaid is £22,026,552. Sixteen companies have been awarded equity investments.
- 3.2 There are two loan repayment periods per financial year; September and March. The cumulative estimated amount to be repaid by September 2016 was £5,385,754. The actual amount repaid to date is £5,003,379, which represented an achievement of 93%. The target figure is subject to change, due to contract variations and applicants deciding to repay their loan in full earlier than anticipated, to allow early release of KCC charges.

2013/14 Target and Actual	2014/15 Target and Actual	2015/16 Target and Actual	2016/17 Sep 16 Target and Actual	TOTALS TO DATE
Target=£335,294 Actual=£335,294	Target=£820,663 Actual=£820,667	Target=£2,381,223 Actual=£2,306,152	Sep 16 Target=£1,847,474 Actual=£1,541,266	<b>Target=£5,384,654</b> <b>Actual=£5,003,379</b> <b>93%</b>
2016/17 Mar 17 Target	2017/18 Target	2018/19 Target	2019/20 Target	2020/21 Target
Mar 17 Target = £2,513,110	£4,514,101	£3,833,100	£2,857,931	£2,923,656
<b>Total Repayment due by 2021 = £22,026,552</b>				

## 4. Monitoring Returns (October 2016 to December 2016)

- 4.1 The monitoring returns for the Expansion East Kent programme for the period October 2016 to December 2016 have resulted in 70% 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) as follows:

No of companies	No of companies reporting on	No of companies in Green Risk Status	No of Companies in Amber Risk Status	No of Companies in Red Risk Status
153	129*	64 (50%)	26 (20%)	39 (30%)
<b>Combined Loan Value</b>				
£35,417,312	£27,398,160	£13,498,706	£9,638,648	£4,260,806

\* Figures exclude companies not in the monitoring cycle, which are the companies which have repaid their loans, have completed their monitoring cycle, are bad debt or are reported on as part of an equity portfolio.

It is important to note there are three categories with the RED status – see table below, which represents data from the current quarter (July 2016 to September 2016):

Breakdown of Red Risk Status 30%	Category A Non Payment of Debt	Category B Nil Return of Monitoring Form	Category C Significant shortfall on milestones / targets
No of Companies		12 (9%)	27 (21%)
Combined Loan Value		£479,266	£3,781,540
Actions to be taken		Follow up email	Companies under review

The action taken on companies in RED Status is as follows:-

<b>Category A =</b>	
Action taken:	
<b>Category B =</b>	12 companies - nil return of monitoring form
Action taken:	All 12 companies have received follow up emails and site visits have been undertaken, scheduled or planned.
<b>Category C =</b>	27 companies - Significant delays in the following areas: 8 companies: <ul style="list-style-type: none"> <li>Job creation significantly behind, loss of staff/poor retention, and/or no employment contracts to sufficiently evidence job creation</li> </ul> 10 companies: <ul style="list-style-type: none"> <li>Issues with loan repayments being met</li> </ul> 5 companies: <ul style="list-style-type: none"> <li>Delays in project delivery, contract variation could be required.</li> </ul> 4 companies: <ul style="list-style-type: none"> <li>Currently dormant.</li> </ul>
Action taken:	Discussions and/or site visits have been undertaken and/or are scheduled to ascertain any business issues. Where necessary, contract variations have been undertaken or are planned.

This shows the cumulative position of bad debt companies:

Cumulative Bad Debts	No of Companies	Percentage number of companies supported	Loan Value	Percentage of overall committed funds  £36,386,261
Previously reported	15	7.5%	£2,726,930	7.5%
Current Quarter Bad Debt	0	0%	£0	
<b>Total Bad Debt</b>	15	7.5%	£2,726,930	

4.2 The creating and safeguarding of contractual job targets have been verified from the monitoring returns covering the period October 2016 to December 2016. The evidence gathered includes employment contracts and payroll reports. The full details of jobs created and safeguarded are below:

<b>Job Status</b>	<b>Target to Date</b>	<b>Actuals to Date</b>	<b>Percentage against target</b>
<b>Jobs Created</b>	1904	1459	77% (Green)
<b>Jobs Safeguarded</b> <i>(includes Indirect Jobs)</i>	740	967	131% (Green)

## Tiger Programme

### Background Information

The Tiger Programme for North Kent and Thurrock was launched in March 2013. As at 31 March 2015 KCC has committed 51 investments totalling £14,490,000 to 49 companies within Dartford, Gravesham, Medway, Swale and Thurrock. The programme is no longer open to new applicants.

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

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

<b>Tiger Programme</b>	<b>Funding per Local Authority £ m</b>	<b>Private Investment £ m</b>	<b>No of Companies issued</b>	<b>No of jobs to be created</b>	<b>Saved Posts</b>	<b>Total number of Jobs</b>
Dartford	2,009,115	1,451,428	9	145	52	197
Gravesham	881,062	843,375	5	44	62	106
Medway	3,813,621	3,420,834	14	222	168	390
Swale	6,544,502	16,370,958	16	344	254	598
Thurrock	1,241,700	3,066,356	5	40	41	81
<b>Total</b>	<b>14,490,000</b>	<b>25,152,951</b>	<b>49</b>	<b>795</b>	<b>577</b>	<b>1372</b>

<b>Total Funding Committed</b>	<b>£14,490,000</b>	<b>£25,152,951</b>	<b>49</b>	<b>795</b>	<b>577</b>	<b>1372</b>
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### 2. Defrayment of Funds

2.1 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:

<b>Funds defrayed as of close of programme March 2015</b>	<b>= £14,490,000</b>
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### 3. Profile for Repayments of Funds (as at 31 December 2016)

3.1 All repayment of loans, and returns on Equity Investments, will be reinvested into future financial support programmes, for businesses. The table below provides details on the repayment profile. The total amount to be repaid is £12,501,278. Two companies were awarded equity investments (£1,424,072).

3.2 There are two loan repayment periods per financial year; March and September. The cumulative estimated amount to be repaid by September 2016 was £3,303,869. The actual amount repaid to date is £3,262,493, which represented an achievement of 99%. The target figure is subject to change, due to contract variations and applicants deciding to repay their loan in full earlier than anticipated, to allow early release of KCC charges.

2013/14 Target and Actual	2014/15 Target and Actual	2015/16 Target and Actual	2016/17 Sep 16 Target and Actual	TOTALS TO DATE
Target=£3,254 Actual=£3,254	Target=£493,284 Actual=£493,284	Target=£1,875,523 Actual=£1,866,023	Sep 16 Target = £931,808 Actual = £899,932	<b>Target=£3,303,869 Actual=£3,262,493 99%</b>
2016/17 Mar 17 Target	2017/18 Target	2018/19 Target	2019/20 Target	2020/21 Target
Mar 17 Target = £1,347,125	£2,434,225	£2,400,545	£1,902,936	£1,112,578
<b>Total Repayment due by 2021 = £12,501,278</b>				

#### 4. Monitoring Returns (October 2016 to December 2016)

4.1 The monitoring returns for the Tiger programme for the period October 2016 to December 2016, have resulted in 93% 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), as follows:

No of investments awarded	No of companies in monitoring reporting cycle	No of companies reporting on	No of companies in Green Risk Status	No of companies in Amber Risk Status	No of companies in Red Risk Status
51	43 2 equity investments 4 bad debts 2 loans repaid	43	30 (70%)	10 (23%)	3 (7%)
<b>Combined Loan Value</b>					
<b>£14,490,000</b>	<b>£12,369,715</b>	<b>£12,369,715</b>	<b>£8,969,556</b>	<b>£2,945,159</b>	<b>£455,000</b>

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

<b>Breakdown of Red Risk Status 7%</b>	<b>Category A Non Payment of Debt</b>	<b>Category B Nil Return of Monitoring Form</b>	<b>Category C Significant shortfall on milestones / targets</b>
No of Companies	1*		3
Combined Loan Value	£90,000		£455,000
Actions to be taken	Company in administration		Companies under review

\* Excluded from figures in 4.1 due to being bad debt.

The action taken on 3 (7%) companies in Red Status is as follows:

<b>Category A =</b>	1 company – bad debt*
<i>Action taken:</i>	Repayment is being sought through legal channels.
<b>Category B =</b>	
<i>Action taken:</i>	
<b>Category C =</b>	2 companies: <ul style="list-style-type: none"> <li>• Significant delays in the areas of recruitment</li> </ul> 1 company: <ul style="list-style-type: none"> <li>• Issues with loan repayments</li> </ul>
<i>Action taken:</i>	All 3 companies are being closely monitored with regard to achievement of outputs, site visits have been arranged and/or scheduled; and contract variation discussions are taking place.

\* Excluded from figures in 4.1 due to being bad debt.

<b>Cumulative Bad Debts</b>	<b>No of Companies</b>	<b>Percentage number of companies supported</b>	<b>Loan Value</b>	<b>Percentage of overall defrayed funds  £14,490,000</b>
Previous Bad Debt	3	5.9%	£606,213	4.8%
Current Quarter Bad Debt	1	2%	£90,000	
Total Bad Debt	4	7.9%	£696,213	

4.2 The creating and safeguarding of contractual job targets have been verified from the monitoring returns covering the period October 2016 to December 2016. The evidence gathered includes employment contracts and payroll reports. The full details of jobs created and safeguarded are below:

<b>Job Status</b>	<b>Target to Date</b>	<b>Actuals to Date</b>	<b>Percentage against target</b>
<b>Jobs Created</b>	549	614	112% (Green)
<b>Jobs Safeguarded</b>	573	499	87% (Green)

## Escalate

### Background Information

The Escalate Programme for West Kent and parts of East Sussex was launched in December 2013. As at 31<sup>st</sup> March 2015 KCC has committed £5,510,000 to 40 companies and the programme is no longer accepting any new applications.

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

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

Escalate Programme	Funding per Local Authority £	Private Investment £	No of Companies	No of Jobs to be created	Saved Posts	Total number of Jobs
Maidstone	2,720,588	3,058,832	12	158.56	108.67	267.23
Rother	136,250	136,250	3	18.27	3	21.27
Sevenoaks	594,000	710,472	6	33.6	18.27	51.87
Tonbridge + Malling	698,510	697,798	7	55.37	18	73.37
Tunbridge Wells	1,158,250	1,397,250	11	151.11	21.26	172.37
Wealden	200,000	200,000	1	6	4	10
<b>Total</b>	<b>**5,507,598</b>	<b>6,200,602</b>	<b>40</b>	<b>422.91</b>	<b>173.2</b>	<b>596.11</b>

*\*Hastings Funding total is zero*

*\*\*£10,000 uncommitted within Tiger and £2,402 contribution to marketing*

<b>Total Funding Committed</b>	<b>£5,507,598</b>	<b>£6,200,602</b>	<b>40</b>	<b>423</b>	<b>173</b>	<b>596</b>
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### 2. Defrayment of Funds

2.1 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:

<b>Funds defrayed as of close of programme March 2015</b>	<b>= £5,510,000*</b>
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*\* Includes £2,402 contribution to marketing*



### 3. Profile for Repayments of Funds (as at 31 December 2016)

3.1 All repayment of loans, and returns on Equity Investments, will be reinvested into future financial support programmes, for businesses. The table below provides details of the repayment profile. The total amount to be repaid is £5,036,365. One company was awarded equity investment in the sum of £250,000.

3.2 There are two loan repayment periods per financial year; March and September. The cumulative estimated amount to be repaid by September 2016 was £1,415,088. The actual amount repaid to date is £1,358,463, which represented an achievement of 96%. The target figure is subject to change, due to contract variations and applicants deciding to repay their loan in full earlier than anticipated, to allow early release of KCC charges.

2014/15 Target and Actual	2015/16 Target and Actual	2016/17 Target and Actual		TOTAL TO DATE
Target=£131,760 Actual=£131,760	Target=£820,351 Actual=£814,099	Sep 16 Target=£462,977 Actual=£412,604	March 17 Target=£539,457	<b>Target=£1,415,088 Actual=£1,358,463 96%</b>
2017/18 Targets	2018/19 Targets	2019/20 Targets	2020/21 Targets	Total Repayment due by 2021: £5,036,365
£1,237,728	£1,062,888	£575,092	£206,112	

### 4. Monitoring Returns (October 2016 to December 2016)

4.1 The monitoring returns for the Escalate programme for the period October 2016 to December 2016, have resulted in 74% 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), as follows:

No of investments awarded	No of companies in monitoring reporting cycle	No of companies reporting on	No of companies in Green Risk Status	No of Companies in Amber Risk Status	No of Companies in Red Risk Status
40* *includes 2 bad debt	38	38	18 (48%)	10 (26%)	10 (26%)
<b>Combined Loan Value</b>					
£5,507,598	£5,402,598	£5,402,598	£2,480,544	£1,446,466	£1,475,588

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

Breakdown of Red Risk Status <b>26%</b>	Category A Non Payment of Debt	Category B Nil Return of Monitoring Form	Category C Significant shortfall on milestones / targets
No of Companies		1	9
Combined Loan Value		£230,000	£1,245,588
Actions to be taken		Companies under review	Companies under review

The action taken on 10 (26%) companies in Red Status is as follows:

<b>Category A =</b>	
<i>Action taken:</i>	
<b>Category B =</b>	1 company
<i>Action taken:</i>	Monitoring return continues to be pursued
<b>Category C =</b>	3 companies: <ul style="list-style-type: none"> <li>• Issues with loan repayments</li> </ul> 5 companies: <ul style="list-style-type: none"> <li>• Behind on job targets</li> </ul> 1 company: <ul style="list-style-type: none"> <li>• Company dormant</li> </ul>
<i>Action taken:</i>	Currently in discussion with companies to reach resolution.

<b>Cumulative Bad Debts</b>	<b>No of Companies</b>	<b>Percentage number of companies supported</b>	<b>Loan Value</b>	<b>Percentage of overall defrayed funds</b> <b>£5,507,598</b>
<b>Previous Bad Debt</b>	3	7.5%	£120,000	1.91%
<b>Current Quarter Bad Debt</b>	-1*	0%	£15,000	
<b>Total Bad Debt</b>	2	5%	£105,00 0	

- One company which had been previously classified as bad debt is now repaying the loan due to action taken by officers in pursuing the debt.

4.2 The creating and safeguarding of contractual job targets have been verified from the monitoring returns covering the period October 2016 to December 2016. The evidence gathered includes employment contracts and payroll reports. The full details of jobs created and safeguarded are below:

<b>Job Status</b>	<b>Target to Date</b>	<b>Actuals to Date</b>	<b>Percentage against target</b>
<b>Jobs Created</b>	323	275	85% (Green)
<b>Jobs Safeguarded</b>	173	144	83% (Green)