

KENT COUNTY COUNCIL

GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE

MINUTES of a meeting of the Growth, Economic Development and Communities Cabinet Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Thursday, 1 February 2018.

PRESENT: Mr S Holden (Vice-Chairman), Mrs R Binks, Mr D Butler, Mr A Cook, Mr D Farrell, Mr A J Hook, Mr G Lymer, Mr P J Messenger, Mr H Rayner, Mr A M Ridgers, Mr J Wright, Mr D L Brazier, Mr P W A Lake, Mr M A C Balfour and Mr R H Bird

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

IN ATTENDANCE: Mrs B Cooper (Corporate Director of Growth, Environment and Transport), Mr D Smith (Director of Economic Development), James Pearson (Head of Service Libraries, Registration and Archives), Barbara Bragg (Strategic Manager, Specialist & Support Services for Libraries, Registration and Archive), Nick Abrahams (Strategic Programme Manager, Infrastructure), Jackie Taylor Smith (Strategic Manager Business Development Libraries, Registration & Archives), Allan Baillie (Skills & Employability Manager, Adults), Steve Samson (Trade Development Manager), Rob Hancock (Programme Manager), Kevin Tilson (Finance Business Partner for Growth, Environment and Transport) and Georgina Little (Democratic Service Officer).

UNRESTRICTED ITEMS

40. Membership

(Item 2)

It was noted that following Mr M Whiting's appointment as Cabinet Member for Planning, Highways, Transport and Waste he would no longer be able to serve as a Member of the Growth, Economic Development and Communities Cabinet Committee.

41. Apologies and Substitutes

(Item 3)

Apologies were received from Mr I Chittenden, Mr A J Kite, Mr A Bowles and Mr A Booth. Mr R Bird, Mr D Brazier, Mr P Lake and Mr M Balfour attended as substitutes respectively.

42. Election of Chairman

(Item 4)

RESOLVED that the decision be deferred to the next meeting on 7 March 2018.

43. Declarations of Interest by Members in items on the Agenda

(Item 5)

No declarations of interest were received.

44. Minutes of the meeting held on 21 November 2017

(Item 6)

Resolved that the minutes of the meeting held on 21 November 2017 are a correct record and that they be signed by the Chairman.

45. Verbal updates by Cabinet Members

(Item 7)

1. Mr M Hill, OBE (Cabinet Member for Community and Regulatory Services) said that major refurbishment work had started on 24 January 2018 for Tonbridge Library and commended the innovative plans for the building. The library would re-open on 19 April 2018.
2. Mr M Hill, also provided an update to Members on the cultural commissioning work that was undertaken in conjunction with the waste industry. Closing the Loop was an innovative programme established by Future Foundry that offered young people from deprived communities a chance to explore circular economy in creative ways. There were 30 Young people from Dover and Shepway on the programme who were working alongside the waste industry on a number of artistic endeavours. Mr M Hill had planned to meet the leading officer from the Arts Council in the coming week and would provide an update to Members following his visit.
3. Mr M Dance (Cabinet Member for Economic Development) addressed the issue of EU funding and assured Members that whilst the UK was investing money into Europe, Kent County Council would continue to submit bids. Once Britain withdrew from the EU, the Council would no longer be able to apply for funding and therefore Members may wish address these concerns with Visit Kent following the presentation (item 8).
4. On behalf of Mr Dance, Barbara Cooper (Corporate Director for Growth, Environment and Transport) covered the Housing Infrastructure Funding (HIF) said:
 - a. There was a bid for forward funding of £250m which incorporated Otterpool and Junction 5A. The Government timetable estimated that work would start in March 2018.
 - b. The Government had announced, on the 1 February 2018, the awarding of the Marginal Viability Fund. There had been nine bids

submitted by Kent and three had been successful. There was an upper cap of £10m on the bids and this would be used to provide the final, or missing piece of infrastructure funding in order to get existing sites unblocked.

- Dover Council had been allocated £15m for the Bus Rapid Transport System
- Swale Council had been allocated £3.5m for the Queenborough and Rushenden regeneration, land raising, surface water drainage and demolition work on the brownfield sites.
- Thanet Council had been awarded £2.5m for the Manston and Hayden roundabout which was key to the Thanet Transport Strategy in developing the inner and outer ring-road to manage the traffic flow.
- The bids for Ashford, Shepway and Tunbridge Wells were not successful however KCC had been awarded £28.1m.

5. RESOLVED that the verbal updates be noted.

46. Visit Kent Presentation

(Item 8)

Sarah Wood (Managing Director of Mulberry Cottages and Visit Kent Board Member) Sandra Matthews-Marsh (Chief Executive Officer - Visit Kent), and David Statham (Chief Executive Officer of South Eastern Railway and Visit Kent Board Member) were in attendance for this item.

1. Ms Wood (*Founder and Managing Director of Mulberry Cottages*) presented a series of slides that set out the current state of Visit Kent's Economy, the consumer trends and the financial impact of the tourism industry which had supported the increased viability of both large and small businesses throughout Kent.
2. In response to questions and comments Sandra Matthews-Marsh provided further information:
 - a. In regard to the installation of wind turbines, Visit Kent had not received any negative response through the available research but welcomed the view that Kent's coast was an enormous environmental asset. Ms Matthews-Marsh assured Members that matters, such as the demand for resource, had been acknowledged by the Visit Kent Board. She also said that the coastal landscape was a contributing factor to visitor growth in

2017 and environmental pressures would continue to be monitored through on-going research.

- b. Research showed that other countries used VAT as a lever to stimulate the visitor economy. Visit Kent's competitor set applied a 10% VAT rate to hospitality and studies showed that if applied within Kent following Britain's exit from the European Union, this would act as an immediate stimulant for visitor growth and create an estimated 3,000 to 4,000 jobs.
- c. In response to the Bedroom Tax, there was a pilot launched in Bath whereby a 4% Tax was applied to visitor accommodation Ms Matthews-Marsh said that there were no statistics to suggest it would have a positive effect on Kent, however, examples from Canada demonstrated that whilst the levy had reduced the volume of visitors, it had increased the visitor economy value.
- d. Visit Kent used the Cambridge Economic Impact Model and its national standard to collect domestic and international data on visitor attraction numbers, the number of tourists travelling by ferry and monthly occupancy monitoring to collect data on hotel and bed-stock numbers. Visit Kent was due to carry out an Economic Impact Study and this could be shared at future meeting of the committee.
- e. Ms Matthews-Marsh said the growth of business tourism within larger cities had impacted on shire counties including Kent, Sussex and Essex as they did not have the infrastructure needed to sustain conferencing facilities. Assurance was given to Members that the growth of these sectors was due to be reviewed in the next iteration of the Visit Kent Business Plan.
- f. Ms Matthews-Marsh welcomed Members' suggestions to incorporate the North Sea Race Schedule for 2022 into the Visit Kent presentation.
- g. Kent County Council supported Visit Kent in advocating the Hospitality Guild and would continue to work in conjunction with Visit Kent on the Skills Agenda to encourage employment opportunities.
- h. Ms Matthews-Marsh said that the visitor economy saw a decline of 0.9% during the year of Operation Stack.
- i. In response to Members' concerns regarding the flight path over Kent's heritage sites, Visit Kent assured Members that representations had been made which supported Hever Castle's Chief Executive, Duncan Leslie, in his proposals to improve the visitor economy.

3. RESOLVED that the information set out in the presentation and given in response to comments and questions be noted.

47. Libraries, Registration and Archive (LRA) Service
(Item 9)

Libraries, Registration and Archives (LRA) half-year performance update against the service specification 2017-2018.
(Item 9.1)

James Pearson (Head of Service Libraries, Registration and Archives) and Barbara Bragg (Strategic Manager, Specialist & Support Services for Libraries, Registration and Archive) were in attendance for this item.

1. Mr M Hill, OBE (Cabinet Member for Community and Regulatory Services) introduced the report which outlined the Libraries, Registration and Archives (LRA) half-year performance against its outcome based specification for 2017-2018.
2. As a supplement to this, Mr Pearson said that LRA would continue to develop and refine its approach to outcome evaluation and monitor performance against the Key Performance Indicators (KPI's). In terms of the financial developments made for 2017-2018, work had progressed with the new LRA 'Ambitions' which included customer and non-customer focus groups as well as a Member Working Group. Mr Pearson said the draft 'Ambition' statement would be shared at the Cabinet Committee in March 2018. Furthermore, in regard to the digitisation of archived services, a contract had been agreed with 'Find my Past' and a new digital den project had been launched by the ARTS council with the aim of attracting young persons from across Kent who wanted to develop skills in coding and programming. Mr Pearson said the LRA had achieved and maintained the Customer Service Excellence award for 8 consecutive years. Finally, in terms of activity, weddings throughout the summer period had increased by over 4% compared to 2016 and the Summer Reading Challenge increased by 2%.
3. In response to comments and questions, the officers provided the following information:
 - a. Mr Pearson confirmed that progress had been made on the proposals for a refurbishment of Ashford library and as soon as the infrastructure was agreed, Kent County Council (KCC) would accelerate its delivery.
 - b. In response to concerns regarding the accessibility, Mr Pearson assured the committee that the 'Ambitions' report that would be presented in March fully reinforced KCC's commitment to inclusion.
 - c. Mr Pearson welcomed comments from the Member Working Group and said that discussions were underway with the Turner Contemporary to look at how

LRA services and venues could be fully utilised across the county and how Visit Kent could be incorporated within Kent's libraries to attract the tourism market.

4. RESOLVED that the committee note the progress that LRA has made to date in 2017-2018.

Proposed Changes to Opening hours of the Archive Search Room at Kent History and Library Centre
(Item 9.2)

James Pearson (Head of Service Libraries, Registration and Archives) was in attendance for this item.

1. Mr M Hill, OBE (Cabinet Member for Community and Regulatory Services) introduced the report which set out proposed changes to the opening times for the archive search room, subject to the outcome of public consultation.
2. Mr Pearson explained to the Committee that Libraries, Registration and Archives (LRA) reviewed its services regularly to ensure they continued to meet customer demand. The proposal to reduce the Archive Search Room opening times would potentially deliver a £10k saving towards the LRA's Medium Term Financial Plan targets for 2018-2019 and this would be achieved by a reduction in staffing (0.5fte) for which vacancies were being held.
3. RESOLVED that the committee note the report and endorse the recommendation to progress to public consultation on the proposed changes to the opening hours of the Archive Search Room.

Developer Contributions and Kent's Library Service
(Item 9.3)

James Pearson (Head of Service Libraries, Registration and Archives), Nick Abrahams (Strategic Programme Manager, Infrastructure) and Jackie Taylor Smith (Strategic Manager Business Development Libraries, Registration & Archives) were in attendance for this item.

1. Mr M Hill, OBE (Cabinet Member for Community and Regulatory Services) introduced the report which explained s106 developer contributions, how these were calculated and collected for the Council to use and their importance for the library service.
2. Mr Abrahams advised the committee that s106 agreements were commonly used to secure financial contributions from developers to provide the infrastructure needed to of additional demand caused through new housing developments. He highlighted how the impact of development was calculated for libraries, the

Council's success in securing £9.8m in library contributions from 2006-2017, the challenges presented in securing developer contributions and how these had been key to delivering the modernisation and co-location of libraries throughout Kent.

3. Ms Taylor said that the use of s106 funding had been key to service modernisation and increasing the capacity of its service points. It had also had a significant impact on the Good Day Programme facility that had been launched in autumn 2016. Other projects had included Herne Bay, Tonbridge Wells, Southborough and Faversham.
4. In response to questions and comments, the officers provided the following information:
 - a. In regard to the planning application figures within the report, Mr Abraham confirmed that the figures were an average of those received from 2012-2017. He noted Members suggestions that the report should clarify that these were valid applications.
 - b. In response to whether s106 contributions could be used to enhance digitisation of services, Mr Abraham said that expansions of facilities required the supporting infrastructure and if digitisation of services was part of the expansion Kent County Council could apply s106 contributions to support this.
 - c. Mr Pearson said that a short to medium term strategy had been put in place for Sittingbourne library whilst developer funding was being sought. If additional s106 contributions became available, LRA services would review how to utilise this within that interim period.
5. RESOLVED that the committee note the details of the report.

48. Employer Guilds, Adult Skill Forums and their role in addressing the employment and skills needs of the County
(Item 10)

Allan Baillie (Skills & Employability Manager, Adults) was in attendance for this item.

1. Mr Baillie introduced the report which put into context the employment and skill level of adults across Kent and the strategies put in place by Kent County Council to improve the county's workforce to deliver economic growth. Mr Baillie addressed some of the mechanisms put in place, such as the Employer Guilds and Adult Skills forum which has influenced employers, education and training organisations to generate alternative escalators to higher skills.
2. In response to questions and comments the officer provided the following information:

- a. In regard to the lack of coordination within schools, Mr Baillie advised the committee that schools were incentivised by GCSE levels and that subjects such as catering, hospitality and engineering were harder to implement due to budgetary constraints on schools. He agreed that whilst it was important to recognise the qualifications of young people, these were steadily improving; conversations were needed around the 85% of those already within the workplace who required retraining and upskilling.
 - b. In response to the committee's request for statistics around each individual area, Mr Baillie said that there an Adult Skills forum was been piloted within Swale whereby, Adult Education (CLS), the Job Centre, colleges and local providers came together to form a multi-agency targeted approach on that specific area. If this was successful, this would then be coordinated across the 30 wards.
 - c. In regard to the strategic steps taken to date, Mr Baillie said that each Guild had been asked to contribute towards a number of set targets for April 2017 to March 2018 and action plans were re-written to include clear targets with defined outcomes. Mr Baillie welcomed the Committee's suggestion that Mr R Bird attend the meeting where the action plan would be discussed.
 - d. Mr Baillie said that the Guilds were holding an Annual Skill Commission conference on 22 March 2018 at Oakwood House in Maidstone, to which all Guilds representatives had been invited. The conference would include presentations from the Careers Enterprise Company and Business in the Community and would provide KCC a further opportunity to promote the new apprenticeship programme. The invitation was extended to all Members of the committee.
3. RESOLVED that the committee note the report and proposed that a recommendation would be made to Mr R Gough (Cabinet Member for Children, Young People and Education) for Mr R Bird to attend a meeting held by the Employer Guild to contribute to the discussions around the action plan.

49. European Funding (Item 11)

David Smith (Director of Economic Development) and Steve Samson (Trade Development Manager) were in attendance for this item.

1. Mr Dance (Cabinet Member for Economic Development) introduced the report that set out the current state of play for EU funding programmes and the EU funded projects in Kent.

1. Mr Samson provided the committee with an update on Kent's position relating to EU funding in the context of Brexit and said that following the UK's withdrawal from the European Union, the UK would continue to participate in the Union programmes financed by the Multiannual Financial Framework (MFF) 2014-2020 until their closure. Following the December 2017 Brexit negotiations, clarification on the status of the Interreg programmes had been provided and Kent was able to receive funding for its projects up until 2020. This also meant that UK based organisations would be able to apply for funding during 2018 and 2019 for projects that could potentially run up until 2022. However, in order to receive the funding, the projects needed to demonstrate that they were in line with KCC's strategic priorities. Following 2020 the Government's manifesto indicates that EU funding would be replaced by the 'UK Shared Prosperity fund', however, there would be a consultation at a later date. Mr Samson referred to Annex 4 of the report that contained an extract from the Joint Report from the negotiators of the European Union and the United Kingdom Government' and assured Members that KCC was still on the way to achieving its European Funding target for 2014 to 2020 and would continue to develop new projects under the current arrangements.
2. RESOLVED that the committee note the report.

50. Members' recent visit to Swale Borough
(Item 12)

David Smith (Director of Economic Development) and Rob Hancock (Programme Manager) were in attendance for this item.

1. Mr Smith introduced the report which highlighted some of the key themes that transpired from the Members visit to Swale. The report provided the committee with an opportunity to comment, note what others had learnt and welcome interest from those not on the last visit to attend future events.
2. Mr Hancock informed the committee that proposals had been made to visit the following areas:
 - Dover in April 2018
 - Ashford in June 2018
 - Thanet and/or Gravesham in September/ November 2018
3. RESOLVED that the committee note and endorse the programme.

51. Financial Matters
(Item 13)

2017/18 Financial Monitoring

(Item 13.1)

Kevin Tilson (Finance Business Partner for Growth, Environment and Transport) was in attendance for this item.

1. Mr Tilson introduced the Financial Monitoring report and provided a summary of the financial position within the Growth, Environment and Transport (GET) directorate as indicated within the October Monitoring report that went to Cabinet on 15 January 2018. The GET directorate had an increased pressure of +£0.761m due to the increased forecast cost for streetlight energy and the LED installation programme. Mr Tilson assured Members that the budget would return to a neutral position by March 2018.
2. RESOLVED that the report be noted.

Draft 2018-19 Budget and 2018-20 Medium Term Financial Plan

(Item 13.2)

Kevin Tilson (Finance Business Partner for Growth, Environment and Transport) was in attendance for this item.

1. Mr Tilson introduced the report that was designed to accompany the final draft 2018-19 budget and 2018-20 Medium Term Financial Plan (MTFP) published on 15 January 2018. Mr Tilson referred to paragraph 3.1 of the report which contained information regarding where to find the most pertinent sections in relation to Growth, Environment and Transport (GET).
2. Mr Tilson highlighted the following issues:
 - a. In regard to additional spending demands, the GET directorate had an additional pressure of £7m due to the awarding of contracts and commissioned services.
 - b. In terms of Policy Saving, 83% of the savings proposed by GET are from additional income generation, efficiencies which includes contracts and procurement and transformation which is primarily around the continual roll out of the LED programme.
 - c. In regard to the Capital programme, whilst the NET budget revenue terms for GET was £162m, the capital programme was £762m.
3. RESOLVED that the report be noted.

52. Work Programme 2018 - 2019

(Item 14)

1. RESOLVED that the work programme for 2018 be noted.

