

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 Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 28 November 2019.

PRESENT: Mr A M Ridgers (Chairman), Mr S Holden (Vice-Chairman), Mrs P M Beresford, Mrs R Binks, Mr D S Daley, Mr A Booth, Mr A H T Bowles, Mr D L Brazier, Mr N J Collor, Mr I S Chittenden, Mr A Cook, Mr J Wright, Mr M C Dance, Mr M J Angell (Substitute for Mr J A Kite, MBE), Mr J P McInroy (Substitute for Mr S C Manion), Mr B J Sweetland (Substitute for Mr G Lymer) and Mr B H Lewis (Substitute for Mr D Farrell)

ALSO PRESENT: Mr M Whiting and Mrs S V Hohler

IN ATTENDANCE: Mrs B Cooper (Corporate Director of Growth, Environment and Transport) and Mr D Smith (Director of Economic Development)

UNRESTRICTED ITEMS

184. Apologies and Substitutes

(Item 2)

Apologies for absence had been received from Mr G Lymer, Mr S Manion, Mr J Kite and Mr D Farrell.

Mr B Sweetland, Mr J McInroy, Mr M Angell and Mr B Lewis attended as substitutes respectively.

185. Election of Chairman

(Item 3)

1. The Committee elected Mr Dance as Chairman of the Committee.

Agreed without a formal vote

2. Mr Dance thanked Mr Ridgers for his hard work, commitment and valuable contribution to the Committee in his time as Chairman.
3. RESOLVED that Mr Dance be elected as Chairman of the Committee.

186. Election of Vice-Chairman

(Item 4)

Mr A Booth proposed, and Mr A Cook seconded that Mr N Collor be elected as Vice-Chairman of the Cabinet Committee. There being no other nominations, this was *agreed* without a vote.

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

(Item 5)

Mrs S Hohler declared an interest in item 15 of the agenda as the appointed Kent County Council Trustee of Turner Contemporary.

188. Minutes of the meeting held on 13 September 2019

(Item 6)

It was RESOLVED that the minutes of the meeting on 13 September 2019 are a correct record and that they be signed by the Chairman.

189. Verbal updates by Cabinet Members and Corporate Director

(Item 7)

1. Mrs S Hohler (Deputy Cabinet Member for Community and Regulatory Services) provided an update on the following:
 - (a) The Library, Registration and Archive service had been awarded the Customer Service Excellence award in recognition of its high level of service delivery, its continual investment in infrastructure and its innovative engagement with communities. The assessment took place in September over the course of three and half days and included seven of Kent's libraries. Mrs Hohler commended the LRA service and all its staff for achieving the award.
 - (b) The Summer Reading Challenge 2019 had successfully encouraged an increased volume of participants to partake in the challenge compared with the previous year and commended the success of the event.
 - (c) Mrs Hohler expressed her delight in the array of work exhibited in Sessions House, Stone Hall, as part of the John Downtown Award. The 2019 exhibition had encouraged 313 entries from 31 schools. The winning entries were due to be displayed at Turner Contemporary from 18 January to March 2020.
 - (d) Turner Contemporary in Margate was due to host the award of the Turner Contemporary Prize 2019 on Tuesday 3 December. Mrs Hohler noted that it was the first time the award had been hosted in a smaller geographical location such as Margate. However, visitor numbers had exceeded those in previous years with 10,000 visitors in the first weekend of the event. The award of the Turner Prize would be covered by the BBC.
2. Mr M Whiting expressed his enthusiasm in his new role as the Cabinet Member for Economic Development and introduced Mr J McInroy as the newly appointed Deputy Cabinet Member. Mr Whiting applauded Kent County

Council in its achievement of securing the silver award for the 'Best Youth Destination 2019' and paid tribute to colleagues in Visit Kent and all those involved in achieving the award.

3. It was RESOLVED that the verbal update be noted, with thanks.

190. Performance Dashboard

(Item 8)

Helen Groombridge (Performance and Analytics Manager) was in attendance for this item.

1. Mrs Groombridge introduced the Performance Dashboard which showed progress made against targets set for Key Performance indicators (KPIs) up to the end of September 2019. Mrs Groombridge highlighted to Members that nine of the fourteen KPIs achieved target, three were below target, however, did achieve the floor standard and two failed to achieve the floor standard. Mrs Groombridge informed the Committee that there were five remaining KPIs that were awaiting sufficient survey returns before publication of those results could take place.
2. Officers responded to comments and questions as follows:
 - (a) With regard to KPI *DT14: Percentage of Public Rights of Way (PRoW) faults reported online*, Mrs B Cooper (Corporate Director of Growth Environment and Transport) informed Members that there was a certain demographic that preferred to report incidents via phone. The key piece of work that continued to be done by KCC was the review and improvement of systems interfaces to encourage those who relied on the telephone reporting system to switch to the automated online reporting tool.
3. It was RESOLVED that the Performance Dashboard, be noted.

191. Strategic Delivery Plan Monitoring: Quarter 2 2019/20

(Item 9)

David Firth (Policy Adviser) and Shannon Ryan (Business Planning Officer) were in attendance for this item.

1. Mr Firth introduced the report that set out the Council's Strategic Delivery Plan Monitoring arrangements, along with the analysis and emerging themes from Quarter 1 and Quarter 2 of the 2019/20 Strategic Outcome 2 activity submissions. Mr Firth informed Members that the development of the Strategic Delivery Plan was supported by the Executive and Cabinet Committees and informed Members that further feedback was welcomed to ensure that the report was correctly tailored to provide the level of detail required from Members. It was suggested that Cabinet Committees might like to consider

any future substantive items on specific Strategic Delivery Plan activities as part of their agenda setting discussions. Cabinet Committees would receive the Quarter 4 analysis following the monitoring process in April – June 2020.

2. Mr Whiting (Cabinet Member for Economic Development) highlighted to Members the significant amount of work that continued to be undertaken by officers to ensure the delivery of all workstreams and commended their achievements.
3. It was RESOLVED that the Strategic Delivery Plan Monitoring arrangements, analysis and emerging themes from Quarter 2 2019/20 Strategic Outcome 2 activity submissions, be noted.

192. Regional Growth Fund Programmes Monitoring Report

(Item 10)

David Smith (Director of Economic Development) and Martyn Riley (Programme Manager, Business Investment) were in attendance for this item.

1. Mr Riley introduced the report that set out the results of Kent County Council's (KCCs) monitoring returns for the period 1 April 2019 to 30 June 2019, from companies that had received loans from the three Regional Growth Fund Programmes: Expansion East Kent, Tiger and Escalate. As previously reported, the schemes were funded through money that had been allocated by Central Government and therefore KCC were subject to the conditions imposed by the Department for Business, Energy and Industrial Strategy (BEIS) in terms of its management.
2. Officers responded to comments and questions as follows:
 - (a) Mr Riley informed Members that KCC Internal Audit would engage with those companies considered to be involved in fraudulent activities such as the misappropriation of funds.
 - (b) In response to KCCs management for the repayment of funds, Mr Riley confirmed that KCC had adopted a flexible repayment method to ensure that the maximum amount of loan value was recouped. Mr Riley informed the Committee that the Regional Growth Fund scheme established in 2012 was initially set up to offer loans in the forms of grants. The allocation of loans to companies from KCC provided companies with the opportunity to take out a 0% interest loan, with a repayment period of between five to seven years. The approach adopted by KCC ensured that investment was monitored, repaid and reinvested into the Kent and Medway Business Fund.
 - (c) Mr Smith informed the Committee that the primary purpose of the scheme was to promote investment and jobs in Kent. The scheme had created and

safeguarded 4,500 jobs and Mr Smith commended KCC's success in its effectiveness to find and invest in companies that demonstrated an ability to grow whilst safeguarding the interest of the Tax payer through the monitoring and legal processes put in place to recover the funds from failed companies.

- (d) In response to comments concerning the creation of jobs, Mr Riley confirmed that KCC had not made any further investment against the three Regional Growth Fund programmes for the past four years, therefore the reported figures were reflective of the jobs created from the existing loans. Mr Riley noted that KCC were contractually obliged by the Government to manage the Regional Growth Fund programme and to retain funds for reinvestment. The feedback from Government verified that the approach adopted by KCC had been well received. Mr Smith assured the Committee that the returned money continued to be reinvested into new companies with new jobs, however, the grant and equity investments fell outside the scope of the report to the Committee. Mr Smith agreed to provide an update report to the Committee in due course once the position of the national economy following Brexit had been resolved.
- (e) Mr Riley confirmed that the Loan Recovered figure of £248,741 included the recovered funds in the period which had previously been identified as bad debt.
- (f) Mr Smith confirmed that a new scheme had been launched which targeted smaller companies and offered loans up to £100k. Mr Smith agreed to reflect on the views of the committee concerning the promotion of the scheme and implement new marketing tools to encourage greater take-up.

3. It was RESOLVED that the report be noted.

193. 19/00095 - Discovery Park: Growing Places Fund

(Item 11)

This item was withdrawn from the agenda and not considered.

194. Library Extra Pilot Evaluation

(Item 12)

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

- 1. Mrs S Hohler (Deputy Cabinet Member for Community and Regulatory Services) and Mrs Taylor Smith introduced the update report on the Library Extra pilot and the evaluation of the uptake across the three pilot sites: Deal (tier 1), Paddock Wood (tier 3) and Higham (tier 4). Following the success of the pilot, the report sought the Committee's endorsement to continue the Library Extra pilot at each of the three sites for a further year; for Libraries, Registration and Archives (LRA) to explore the potential for a further pilot at a

tier 2 and tier 5 library; and for Library Extra be made available on Sunday at both Paddock Wood and Higham libraries during the normal Sunday trading hours of 10am to 4pm. Mrs Taylor-Smith informed the Committee, that as a result of the analysis, it was proposed that LRA explore Library Extra as the way to deliver additional library access/opening hours where there was demand, this was explored following the question raised at a previous meeting of this committee to consider Parish Councils paying for additional opening hours. To support the delivery of the Library Extra service, LRA would undertake a review of the funding options available, including the potential use of S106 or CIL funding and the potential use of local member grants and future KCC capital funding.

2. Officers responded to comments and questions as follows:

(a) With regard to the facilities management issue, Mrs Taylor-Smith informed the Committee that the pilot helped identify the potential faults that could occur when operating technology assisted opening. While a solution was found to resolve the issues at Higham library, it was recommended that for any future Library Extra installations, a new automatic door be installed instead of retrofitting an existing door.

(b) Mr Pearson responded to Members queries regarding Higham library and informed the Committee that LRA would liaise with the Parish Council to seek their views on how best to engage with the local community. The high level of community involvement and engagement was amongst one of the reasons why Higham was selected for the pilot and the analysis of the pilot would continue to inform the LRA Strategy going forward.

(c) In response to concerns as to whether the scheme was a precursor to the conversion of non-hub libraries into a state of non-attainment, Mr Pearson expressed the view that this was not the case and the LRA service was founded on providing people with options which would always include times with paid staff, and said that the additional technology-assisted access was based on customer preference. Customer engagement was critical to the evolution of the service, and that being recognised, the LRA was able to offer a number of activities alongside the borrowing of books and was able to provide the same level of service outside of normal operating hours to those with the enhanced membership card.

3. It was RESOLVED that the report be noted and that the recommendations to:

(a) Continue the Library Extra pilot at each of the three sites for 1 year, which will enable the uptake and use of Library Extra to be assessed in the context of the new library opening hours. It is proposed that an interim report be prepared after 6 months in April 2020,

- (b) explore the potential for a further pilot at a tier 2 and tier 5 library; and
 - (c) Make Library Extra available on Sunday at both Paddock Wood and Higham libraries during the normal Sunday trading hours of 10am to 4pm,
- be endorsed.

195. 2050 Vision for Kent and Medway Enterprise and Productivity strategy & SELEP Local Industrial Strategy

(Item 13)

Johanna Howarth (Deputy Director of Economic Development) was in attendance for this item.

1. Mrs Howarth introduced the report which provided Members with an update on the development of a Kent and Medway 2050 Enterprise and Productivity Strategy alongside the progress of the South East Local Enterprise Partnership's emerging Local Industrial Strategy and sought the Committee's views on a draft vision.
2. The officer responded to comments and questions as follows:
 - (a) Mrs Howarth agreed with Members' comments regarding the need for Kent County Council KCC to adopt an infrastructure-before-growth approach and said that the points raised by the Committee had been echoed in the discussions between KCC and its stakeholders as well as with Government. Mrs Howarth informed the Committee that KCC was aiming towards improved collaborative working with Government; details of that work along with the draft Strategy would be presented to the Committee in due course.
 - (b) Mr Whiting (Cabinet Member for Economic Development) informed Members that as individual schemes were put forward, they would need to be fully scrutinised by local people. The Strategy aimed to bring partner agencies together, including District and business colleagues to ensure that the strategic framework reflected economic policy at a local level.
 - (c) In response to concerns regarding the disparity between parts of Kent and Medway, Mrs Howarth confirmed that the Strategy addressed the need for every young person and adult to be equipped with the skills and tools needed to access opportunities; and for this reason, the strategy would include success measures to review and monitor the narrowing gaps over the thirty to forty year window.
 - (d) With regard to the export opportunities for businesses in Kent and Medway, Mrs Howarth agreed that KCC needed to set its sights beyond Europe and to support those business in Kent and Medway that traded

internationally. Mrs Howard noted that infrastructure was key to drive that workstream forward.

3. It was RESOLVED that the progress made to date with both strategies and the draft version for the Kent and Medway Enterprise and Productivity Strategy, be noted.

196. 19/00093 - Reform of the South East Local Enterprise Partnership's (SELEP) governance
(Item 14)

David Smith (Director of Economic Development) and Sarah Nurden (Kent and Medway Economic Partnership Strategic Programme Manager) were in attendance for this item.

1. Mrs Nurden introduced the report that set out the Government reforms of the South East Local Enterprise Partnership (SELEP), the activities that would be undertaken by SELEP to ensure compliance; and the consequences for SELEP of non-compliance. Prior to Members' comments on the proposed recommendation that Kent County Council remained a partner of SELEP, Mrs Nurden informed Members of the typographic error within paragraph 3.6.2 of the report and confirmed that the SELEP Deputy Cabinet Member should read SELEP Deputy Chairman.
2. The Officers and Cabinet Member responded to comments and questions as follows:
 - (a) Mrs Nurden informed the Committee that due to political uncertainties it was premature to determine future funding streams; however, the Government had announced that European Structural Investment Funding (ESIF) would continue to be allocated through SELEP.
 - (b) In response to queries regarding the representation and substitution of Board Members, Mrs Nurden assured the Committee that under the new governance arrangements, the Company Director position could be offered to the Leader, or Executive of the Council if the Leader were unable to attend. The nominated representative would have to be registered at Companies House.
 - (c) Mrs Nurden confirmed that on 4 October 2019, the SELEP Strategic Board agreed its approach to recruiting 20 Company Directors, 5 Co-opted Directors; and Company Membership for SELEP (as set out within paragraph 3.6 and 3.7 of the report). KCC paid an annual contribution of £72.5k to be part of SELEP.
 - (d) In response to the Membership of the Board, Mrs Nurden confirmed that out of the 20 Company Directors, 7 of those would be from Kent and Medway and would consist of the Leader of Kent County Council, the Leader of Medway Council and 5 business individuals from the Kent and Medway area (the proposal was to select these from the Kent and Medway Economic Partnership). The Government had also introduced diversity targets to increase the proportion of women on the SELEP. With regard to the District Council selection process, the SELEP had agreed that for the first year, the Co-opted Directors would be nominated from the District Councils within the Kent County Council administrative area and the other

would be an Essex District Councillor. The 12 District Councillors in Kent would be asked to choose their nominee and it would be for the District Council Leaders to choose who the nominee would be to represent the Kent District Councils.

- (e) Mr Whiting (Cabinet Member for Economic Development) acknowledged Members' discontent in the democratic deficit within SELEP under the new Government arrangements and assured Members that all efforts had been made to rally against the federated structure. Mr Whiting affirmed that Kent County Council would continue to push for financial investment in order to achieve the best outcome for the people and businesses of Kent.
 - (f) With regard to liability and insurance, Mr Nurden confirmed that Essex County Council as the accountable body had been tasked with obtaining liability insurance information and were responsible for circulating this to Company Directors.
 - (g) Mr Smith assured Members that there would be a SELEP Accountability Board which would be governed by the updated Joint Committee arrangement. The Board would consist of 6 Local Authority Leaders (or Cabinet Members) from the 6 Councils across the SELEP region and they would be the only individuals on the Board that would be permitted to vote.
3. It was RESOLVED that the proposed decision (19/00093) to be taken by the Leader to:
- (a) Agree to Kent County Council remaining a partner in and member of the South East Local Enterprise Partnership (SELEP) after it becomes a company limited by guarantee in 2020,
 - (b) Confirm that the Leader of the Council will be the KCC nomination for appointment as a Director of SELEP Ltd, as per the proposed SELEP Board Membership arrangements,
 - (c) Confirm that the Leader of Kent County Council will be the formal voting representative of KCC at SELEP Strategic Board meetings of SELEP Ltd and at the SELEP Accountability Board, the latter to be governed by the updated Joint Committee Agreement; and
 - (d) Delegate authority to Kent County Council's Monitoring Officer, in consultation with the Leader and the Corporate Director for Growth, Environment and Transport, to enter into relevant contracts, legal agreements and put appropriate arrangements in place required to implement this decision, including but not limited to, signing an updated Joint Committee Agreement governing the SELEP Accountability Board,

be endorsed.

197. 19/00060 - Turner Contemporary Capital Project Record of Decision
(Item 15)

Tony Witton (Culture and Creative Economy Manager) was in attendance for this item.

1. Mrs Hohler (Deputy Cabinet Member for Community and Regulatory Services) introduced the report that set out the plan to reconfigure and update Turner Contemporary and the Rendezvous site in Margate. Mrs Hohler commended Turner Contemporary as a major cultural asset in Kent and noted its success in attracting significantly higher than expected visitor numbers since it opened. However, the building required a programme of capital works to maintain a high-quality visitor offer and generate increased revenue which would enable the organisation to work towards sustainability. Mrs Hohler welcomed Members comments and sought their approval for endorsement.
2. Officers responded to comments and questions as follows:
 - (a) Mr Witton assured Members that Kent County Council already assisted the Royal National Lifeboat Institution, Margate Lifeboat Station (RNLI) with the movement of their vessels from the shared parking vicinity through the use of road markings and double yellow lines. Additional measures had also been proposed which included the introduction of traffic light controls at the entrance and exit of the water ramps. With regard to paid parking, Mr Witton noted that discussions were ongoing with RNLI to determine the best way to manage the site and parking enforcements. Similar discussions had also taken place with the Yacht Club.
 - (b) With regard to the promotion of Kent County Council, Mr Witton informed the Committee that the Council logo was visible on the exterior and interior of the building and Kent County Council continued to build a strong presence within the gallery through the art exhibitions. In particular the Turner Prize attracted a worldwide audience and ensured high visibility for Kent County Council.
 - (c) In response to concerns regarding the projected cost and timescale for completion, Mr Witton confirmed that the project would be delivered in two phases. The first phase was due to start in January 2020, and the second phase (as referred to in the report) was due to start in September 2020. Kent County Council had worked in conjunction with specialist Consultants and Quantity Surveyors over the course of two years to develop a robust plan which provided best value for each element of work required. Mr Witton noted that the challenge was around delivering a high-quality finish to a pre-existing building to ensure consistency throughout the gallery. The £2m project would provide Turner Contemporary with a number of improvements, including additional toilets and a finishing kitchen which would enhance the catering offer at the gallery to include conference and private venue hire.
3. It was RESOLVED that the proposed decision (19/00060) to be taken by the Cabinet Member for Community and Regulatory Services to:
 - (a) Enter into and or vary legal agreements including, but not limited to, a Memorandum of Understanding and Collaboration Agreement with Turner Contemporary, RNLI, Margate Yacht Club, Arts Council England and any other stakeholders as required,

- (b) Authorise the Director of Infrastructure to enter into all necessary legal agreements for the delivery and the construction and land related matters of the project; and
- (c) Proceed with the project subject to KCC's VAT partial liability exemption position not being breached or in breach,

be endorsed.

198. European Funding

(Item 16)

Steve Samson (Trade Developer Manager) was in attendance for this item.

1. Mr Samson provided an update on the state of play for Kent's participation in current and future European Union funding programmes and referred in particular to the concerns and implications of the UK leaving the EU. Mr Samson informed Members that in July 2018 the government confirmed that the Treasury would guarantee the full amount of funding secured by UK organisations for any European-funded projects approved prior to the UK leaving the European Union and said that the guarantee would remain in place even in the event of a 'no deal' scenario although the payment mechanisms may differ. Kent County Council (KCC) had been working closely with its neighbouring European counterparts and hosted a meeting on 22 October 2019 in Maidstone between senior elected Members and officials from the Hauts-de-France region, Nord and Pas-de-Calais 'departments' (France) and the provinces of West Flanders (Belgium) and Zeeland (the Netherlands) as well as colleagues from the wider South East LEP area to ensure cross-border cooperation on topics of mutual interest. Those topics and priorities would then be shared with central government to make the case for continued access to European or equivalent financial resources in the future.
2. It was RESOLVED that the report be noted and that an update be presented to the Committee at a future date.

199. Members' Recent Visits to Ashford Borough Council

(Item 17)

David Smith (Director of Economic Development) was in attendance for this item.

1. Mr Smith introduced the report that provided an update to Members on the recent visit to Ashford Borough Council and outlined the programme of future visits to other Kent districts in 2020. Mr Smith informed Members that due to the pre-election period, the scheduled visits for the remainder of 2019 had been postponed but they would be reinstated in due course.
2. Officers responded to comments and questions as follows:

- (a) Mrs B Cooper (Corporate Director of Growth, Environment and Transport) addressed concerns regarding the Local Growth Fund (LGF) application for the A28 and informed Members that Kent County Council (KCC) was unable to undertake the necessary work as Homes England failed to underwrite the risk to the building cost. Mrs Cooper informed the Committee that Homes England were obligated to carry out the required work on the A28, but the work would not start until the 400th home was occupied. The money had been redeposited into the LGF pot.

3. It was RESOLVED that the report and scheduled future visits be noted.

200. Work Programme 2019/20

(Item 18)

It was RESOLVED that the Work Programme be noted, subject to the inclusion of the following items:

- (a) Library Extra Pilot Evaluation Update Report – April 2020
- (b) Enterprise and productivity strategy and SELEP local industrial strategy
- (c) European Funding