

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 Tuesday, 10 March 2020.

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

ALSO PRESENT: Mr P M Hill, OBE and Mr M Whiting

IN ATTENDANCE: Mrs B Cooper (Corporate Director of Growth, Environment and Transport), Mr D Smith (Director of Economic Development), Mrs S Holt-Castle (Interim Director of Environment, Planning and Enforcement) and Miss G Little (Democratic Services Officer)

UNRESTRICTED ITEMS

210. Apologies and Substitutes

(Item 2)

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

Mr A Hook attended as a substitute for Mr D Daley and Mr Balfour attended as a substitute for Mr S Manion.

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

(Item 3)

There were no declarations of interest received.

212. Minutes of the meeting held on 17 January 2020

(Item 4)

It was RESOLVED that the minutes of the meeting held on 17 January 2020 are a correct record and that they be signed by the Chairman.

213. Verbal updates by Cabinet Members and Corporate Director

(Item 5)

1. Mr M Hill, OBE (Cabinet Member for Community and Regulatory Services) provided an update on the following:

- (a) Upon review of the Committee structure, a decision was made by the Leader of the Council that, all services that fell within the portfolio of the Cabinet Member for Community and Regulatory Services would be reported to the Growth, Economic Development and Communities Cabinet Committee and not to the Environment and Transport Cabinet Committee, with the exception of those that were of a cross-cutting nature.
 - (b) An update on COVID-19 (Coronavirus) would be addressed under item 9 on the agenda '*Kent County Councils Resilience and Emergency Planning Update*' and Members of the Committee were asked to delay any discussion on the matter until the item presented itself.
 - (c) Kent County Council (KCC) launched a new service, Trading Standards Checked, which was a Fairtrade scheme that aimed to tackle doorstep criminals. The scheme was free to residents in Kent who would be able to access a list of traders, however there was a subscription fee for traders who wished to join the site, and this was used to fund the scheme. A formal launch was due to take place in April 2020 with press coverage.
 - (d) Three country parks that were under the management of the Infrastructure team had been assigned to Country Parks to manage on behalf of the service, these were: Parkwood, Dry Hill and Preston Hill.
 - (e) The Sandwich station to support the Open Golf tournament was firmly under the control of Network Rail and was on track to open in time for launch of the tournament. R&A had invited Members of the Council to attend the site on one of the practice days and Mr Hill offered Members of the Committee the opportunity to attend. An email confirming details of the visit would be circulated in due course.
2. Mr Whiting (Cabinet Member for Economic Development) provided an update on the following:
- (a) On 5 February 2020, Mr Whiting along with European counterparts attended a conference in Northern France to sign the Straits Committee Memorandum of Understanding (MoU). The event was well received with over 200 attendees and included delegates from Kent's education and industry sector. Mr Whiting was due to attend a meeting in Bruges on 11 March 2020 for the first executive business meeting of the Straits Committee following the signing of the MoU.
 - (b) Visit Kent was due to launch the 'Kent Big Weekend' from Saturday 4th to Sunday 5th April 2020 and had 33,000 free tickets on offer that could be applied for online by 16 March 2020. Visit Kent was also due to

launch the #KentyTwenty event which would coordinate a multitude of celebrations across the county to commemorate historical dates.

- (c) Locate in Kent had produced an excellent set of results for January 2020, having used a series of projects to help create and validate 324 new jobs. Locate in Kent aimed to create a further 484 jobs by the end of the financial year which would amount to a total of 900 new jobs within the tourism sector. Mr Whiting commended the success of Locate in Kent and its achievement in promoting Kent as the place for businesses to invest and create new opportunities for Kent residents.
 - (d) Mr Whiting invited Mr McInroy (Deputy Cabinet Member for Economic Development) to highlight the work of Produced in Kent. Mr McInroy informed the Committee that he had attended the Taste of Kent Awards 2020 on Thursday 5 March 2020, hosted by Produced in Kent at the Kent Event Centre. The event showcased the best food and drink products across the county and was well-received. Produced in Kent had drafted its strategy which KCC would be participating in the review of and helping to drive forward.
 - (e) Visit Kent had also been named as the Destination Management Organisation of the year by UKinbound, a Leading Travel Trade association which represented more than 400 of the UK's top tourism industry.
 - (f) The draft Enterprise and Productivity Strategy would undergo early consultation in June/July 2020 and would be presented to the Growth, Economic Development and Communities Cabinet Committee for comment and review prior to the final presentation at Full County Council in November 2020. The Strategy was connected to both the Kent and Medway Industrial Strategy and the South East Local Enterprise Productivity Strategy which then tied into the national strategy.
 - (g) A meeting was held on Wednesday 29 January 2020 between KCC and a range of partners from the rural economy. An update on the rural economy would be addressed under item 11 on the agenda '*Kent's Rural Economy – a coordinated approach*' and Members of the Committee were asked to delay any discussion on the matter until the item presented itself.
3. The Cabinet Members responded to comments and questions as follows:
- (a) Mr Whiting agreed to liaise with Visit Kent regarding the Mayflower replica and whether this would be included in the #KentyTwenty events.

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

214. Government Funded Business Investment Schemes Monitoring Report - Q3 2019/20
(Item 6)

Martyn Riley (Programme Manager, Business Investment), Matthew Russell (CEO, Russell Distillers Limited) and Paul Carter (Chairman of the Investment Advisory Board) were in attendance for this item.

1. Mr Smith (Director of Economic Development) introduced the report that summarised the results of Kent County Council's (KCCs) monitoring returns for the period 1 October 2019 to 31 December 2019, from businesses that had received loans and equity from KCC managed Government funded Business Investment Schemes (BIS), including the Kent and Medway Business Fund (KMBF) scheme and the former Regional Growth Fund (RGF) schemes. Mr Smith informed Members that the report had been set out in a different format to that previously presented to the Committee to provide greater clarity regarding the funds and should Members' approve the newly adopted formatting, this style would be applied to future reports. Prior to further discussion on the information set out within the report, Mr Smith introduced Mr Matthew Russell, CEO of Russell Distillers, who was a recipient of a loan from the Tiger fund to present his company's success story as a result of the loan scheme.
2. Mr Russell presented a series of slides that set out the process, benefit and success of the Copper Rivet Distillery as a result of receiving the Tiger loan as well as the positive impact on neighbouring industries that had secured business through the establishment and growth of the distillery. Mr Russell thanked KCC for supporting Russell Distiller's vision and for acting as a trusted ambassador throughout the process of the loan.
3. Mr Dance welcomed Mr Carter who addressed the Committee in his capacity as the Chairman of the Investment Advisory Board. Mr Carter expressed his view regarding the formatting of the report and proposed that it needed to reflect the entirety of the scheme and its context over the last eight years including KCCs lessons learned and its successes. Mr Carter informed the Committee that the Regional Growth Fund (RGF) had been established to facilitate new investment and to address market failure in the provision of bank lending to viable small and medium sized businesses in order to support economic growth in Kent and Medway. KCC had supplied £60 million in loans to businesses and had received over 50% back. This then meant that the recouped money could be recycled and reinvested into other businesses which were unable to secure loans from Highstreet lenders. Mr Carter complimented the work

undertaken by the professionals who sat on the Investment Advisory Board which ensured that the correct businesses received money for the correct purposes. He assured the Committee that all efforts to recoup the money and support those businesses which were perhaps struggling to repay the loan amount, would continue through the work of the Debt Advisory Group. Mr Carter commended the success of the RGF and said that all efforts needed to be made by KCC to retain recovered monies for further investment into Kent and Medway to ensure economic growth.

4. Mr Whiting (Cabinet Member for Economic Growth) thanked Mr Carter for his comments and assured Members that all efforts would be made to ensure that KCC retained the recovered money and invested it into the Kent and Medway economy.
5. David Smith (Director of Economic Development), Martyn Riley (Programme Manager, Business Investment), Matthew Russell (CEO, Russell Distillers Limited) and Paul Carter (Chairman of the Investment Advisory Board) responded to comments and questions as follows:

(a) In response to the administration process of the loan and whether this would deter businesses from applying, Mr Russell said that there was an arduous process to go through in terms of due diligence. However, Mr Russell recognised that as an entrepreneur or business seeking free or cheaper money, it was crucial that the Investment Advisory Board adopted a strict process to ensure that the right people received the money for the right purpose and as a business, Russell Distillers understood that there had to be a hurdle rate to ensure that the intention of the applicant was the right one for Kent and Medway. Mr Russell informed Members that there would be the same level of reporting required within a commercial setting and that through KCC, Russell Distillers were able to make the contacts required to help grow their business in a way that the commercial industry may not have been able to do. In addition, Mr Carter informed Members that the charge for the loan application offered by KCC was the same as the administration fee from the bank and that the full cost recovery was in place to ensure that those who delivered the service and managed a complex range of loans and equity investments, could be paid.

(b) With regard to the security of assets, property or personal guarantees for KCC investments of over £100,000, Mr Riley informed the Committee that this was put in place to minimise the risk to KCC. In the early stages of the loan scheme KCC proceeded to provide loans without security and as a result of that, a majority of those businesses failed to repay the loan. Since the launch of the Kent and Medway Business Fund in 2017, all loan agreements were required to have a form of security.

6. It was RESOLVED that the report be noted.

215. Kent County Council Resilience and Emergency Planning Update
(Item 9)

Alison Duggal (Deputy Director Public Health/ Consultant in Public Health & STP Prevention Lead) and Tony Harwood (Resilience and Emergency Planning Manager) were in attendance for this item.

1. Mr Hill (Cabinet Member for Communities and Regulatory Services) introduced the report which provided an overview of Kent County Council's (KCC) resilience and emergency planning duties, its current activities and emerging risks. Mr Hill also welcomed Mrs Duggal to the Committee to provide an update on the emerging issues relating to COVID-19 (Coronavirus) and to address any public health related concerns.
2. Mrs Duggal provided an update on the confirmed cases of coronavirus in Kent and the measures that had been put in place to mitigate the spread of the virus. The Government had announced that it was in the containment phase of the process, however, in coming weeks, steps would be taken to move into the delay and detain phase. Kent County Council continued to support the NHS and critical front-line services within the Council, including Adult Social Care, to ensure staff were equipped with personal protective equipment and that those requiring domiciliary care were still able to be supported.
3. Officers responded to comments and questions as follows:
 - (a) In relation to the work carried out with Parish Councils and community organisations, Mrs Holt-Castle (Interim Director of Environment, Planning and Enforcement) informed Members' that the Council had started working on COVID-19 contingency plans in February 2020 and that Mr Harwood had been involved in a number of local and national discussions. The first meeting of the Kent Resilience Team Silver, which was a tactical response unit, was scheduled to take place on 10 March 2020 and a further Kent Resilience strategic meeting was also planned. Mrs Holt-Castle informed Members' that that the response, plans and measures to mitigate the impact of COVID-19 was led by Public Health but strongly supported by the Emergency Planning Team in terms of business continuity.
 - (b) In response to a question raised about the effect of Jeye's fluid when diluted to the avian bird flu strain and whether this would disinfect the communal areas of a livery yard, Mrs Duggal agreed to ascertain

further detail on the question raised and respond to the Member directly.

- (c) Mrs Duggal confirmed that there had been no advice issued on the use of public swimming pools. The chemicals used within pools helped to eliminate the risk and spread of bacteria.
- (d) In response to concerns regarding reduced stock in shops, Mrs Duggal clarified that it was not a Public Health matter, however, the issue would be raised with partner organisations as part of the emergency planning.
- (e) Mrs Duggal explained the difference between the delay and contain phase of Government's approach to reduce the spread of COVID-19 and said that containment involved the identification of those people that had come into contact with the person displaying symptoms of the virus and to instruct those people to self-isolate to stop any further transmission. The delay phase, which would be a decision implemented by members of COBRA (Cabinet Office Briefing Room A), would involve asking all members of the general public to self-isolate. Public Health was in the process of pulling together the necessary plans should the UK enter the contain phase to ensure that front-line service staff could operate safely and provide the best care to those who could potentially contract the virus.
- (f) In response to communication methods, Mrs Duggal assured Members' that the KCC Communications Team utilised all media channels, including Twitter and Facebook to ensure both staff and the general public were kept abreast of the daily changes brought forward by Government officials. Mrs Duggal agreed to feed concerns back to regional partners and the Communications Team to ensure that radio stations provided the same clear message.
- (g) Mrs Holt-Castle advised Members' that KCC already had a number of emergency and continuity plans in place as a result of Brexit and a review of all those plans was taking place over the present week. Mrs Holt-Castle assured Members that all directorates recognised the importance and impact of COVID-19 and the correct measures were in place.
- (h) In response to queries relating to flood defence infrastructure, Mrs Cooper (Corporate Director of Growth, Environment and Transport) informed Members that the matter fell within the portfolio of the Cabinet Member for Environment and agreed for a paper to be presented at the next environment and Transport Cabinet Committee on 14 May 2020. A report on the impact of recent flooding events as a result of Storm

Kieran and Storm Denise was due to be presented to Cabinet on 23 March 2020.

- (i) Mr Harwood addressed concerns relating to flooding and said that KCC undertook a structure debrief on 7 January 2020 in response to the flood events before Christmas. This was attended by the Director of Highways, Transportation and Waste, the highways drainage team and emergency planners. Mr Harwood said that Utilities companies were required to install drainage with 20% headroom to facilitate climate change, however, this did not apply to highways infrastructure. The recommendations from the debrief included the maintenance of ditches on private land and the suggestion that KCC should approach the Department of the Environment, Fisheries and Rural Affairs (DEFRA) and Government to raise its concerns around drainage infrastructure capacity and to offer Kent as a pilot area to trial new models. Mr Harwood referred Members to the [Kent Flood Risk Management Committee on Monday 9 March 2020](#) for further details on the discussions related to flood risk management as a significant amount of work was already underway in recognition of the changes to weather patterns and rainfall.
 - (j) In response to issues raised in relation to Peel Ports, Mr Harwood agreed to provide a direct response to the Member in relation to issues concerning Swale. Mr Harwood informed Members that an announcement detailing the expected funding on flood defences was expected from Government and that it was crucial for KCC to identify areas which would benefit the most from flood defence interventions. The issues which had been described in relation to sites managed by Peel Ports were being discussed with flood water management colleagues within Environment, Planning and Enforcement. The Kent Flood Risk Management Committee received a presentation from the Environment Agency on the sophisticated management and maintenance of drainage and other infrastructure issues and again, referred Members to the [Kent Flood Risk Management Committee on Monday 9 March 2020](#).
 - (k) With regard to planning applications and the mitigation of new development on floodplains, Mr Whiting (Cabinet Member for Economic Development) said that KCC would undertake further analysis of planning applications under regulation 19 of the local plan.
4. It was RESOLVED that the County Council resilience and emergency planning activity, be noted.

216. Performance Dashboard

(Item 7)

Helen Groombridge (Performance and Analyst Manager) and James Pearson (Head of Service, Libraries, Registration and Archives) was in attendance for this item.

1. Mrs Groombridge introduced the report which showed the progress made against targets set for Key Performance indicators (KPIs) up to the end of December 2019.
2. The officers responded to comments and questions as follows:
 - (a) Mr Pearson responded to queries relating to KPI *LRA02: Total number of books issued (includes audio and e-books)* and confirmed that procurement of book stock from S106 contributions was recorded. Mr Pearson agreed to produce two separate KPI's in future reports to capture the total number of physical books and the total number of e-books.
 - (b) In response to queries relating to KPI *ED08: Developer Contributions secured against total contributions sought*, Mr Smith (Director of Economic Development) informed Members that the Q3 figure had been reduced to 82% due to one sites viability, however, all efforts continued to be made to pursue developer contributions. All other sites had delivered 100% of the contributions sought. Supplementary to the aforementioned points, Mrs Cooper (Corporate Director of Growth, Environment and Transport) advised the Committee that further detail on the performance of that KPI would be circulated to Members and that a report on S106 payments would be brought to a future Committee.
 - (c) Mrs Holt-Castle (Interim Director of Environment, Planning and Enforcement) agreed to verify whether the contact centre reminded those who called about the online reporting tool. Mrs Holt-Castle informed the Committee that members of the public had to register to use the Public Right of Way online portal, however, statistics revealed that online reporting had increased. The public often reverted to using the phone system in times of flooding due to the immediacy of the situation. Mrs Holt-Castle agreed to provide Members with the performance indicators used to measure how faults were repaired and said that a review of the KPIs would take place at the May Committee.
 - (d) In response to indicators LRA19 and LRA20, Mr Pearson informed the Committee that these were new measures that had been introduced as a result of the previous year's results which linked low customer satisfaction levels to issues around PCs and Wi-Fi. Due to insufficient

survey returns, the results could not be published within the current report.

3. It was RESOLVED that the performance report be noted.

217. Risk Management: Growth, Environment and Transport Directorate (Item 8)

Mark Scrivener (Corporate Risk Manager) was in attendance for this item.

1. Mr Scrivener presented a paper on the strategic risks relating to the Growth, Economic Development and Communities Cabinet Committee and welcomed comments from the Committee.
2. The officers and Cabinet Member for Economic Development responded to comments and questions as follows:
 - (a) With regard to the skills shortage and whether this had been assessed on a point-based immigration system, Mrs Cooper (Corporate Director for Growth, Environment and Transport) clarified that the risks were associated to internal staff and the development of a workforce strategy. Mrs Cooper recognised the impact of a diminished labour market and said that work was being done with Kent businesses and Kent County Council's (KCC) education providers to address the key skills gap.
 - (b) Mrs Cooper assured Members that Kent County Council was committed to developing its own staff in order for them to progress into senior roles. However, it was important that KCC promoted itself as a good brand to attract external interest.
 - (c) Mr Whiting (Cabinet Member for Economic Development) said that the skills agenda was an essential element in KCC's five-year plan and that it featured strongly in the Enterprise and Productivity Strategy and the South East Local Enterprise Productivity Strategy. Mr Whiting and the Leader of Kent County Council had met with the University of Kent to address the skills gap and said that Kent needed well skilled, well-educated and well trained people to provide a basis for good economic development and growth in the county.
3. It was RESOLVED that the report and risks presented, be noted.

218. No Use Empty (NUE) - Update (Item 10)

Steve Grimshaw (Strategic Programme Manager) was in attendance for this item.

1. Mr Grimshaw introduced the report which provided an update on the No Use Empty (NUE) scheme, including its performance to date, future plans and the status of the two bids for additional funding resources.
2. The officer responded to comments and questions as follows:
 - (a) Members queried whether the scheme addressed the need for affordable housing. Mr Grimshaw said that Kent County Council (KCC) was working with developers and Dover District Council to provide eight accommodation units. The end objective was for Dover District Council to acquire ownership of the stock to help provide the needed accommodation going forward. The new loan product supported by the Treasury had encouraged a number of District Councils and Boroughs in Kent to identify and prioritise derelict sites which could be developed into affordable housing units across the county.
 - (b) Mr Grimshaw assured the Committee that due diligence was applied in the initial screening phase to prohibit previous applicants applying for interest free loans under a different company name. He said that previous applicants were entitled to return to NUE with a new application for funding, however, since 2017 new regulations were brought in which meant that interest would be applied to the loan.
 - (c) Mrs Cooper (Corporate Director of Growth, Environment and Transport) and David Smith (Director of Economic Development) informed the Committee that the NUE scheme was a finance scheme, not a house building scheme and was not connected to the housing targets of Local Housing Authorities. Mr Grimshaw confirmed that the funding available would not be able to deliver mass housing estates.
3. It was RESOLVED that the report and plans for the further development of the NUE scheme, be noted.

219. Kent's Rural Economy - a coordinated approach *(Item 11)*

Huw Jarvis (Programme Manager) was in attendance for this item.

1. Mr Smith (Director of Economic Development) and Mr Jarvis introduced the report that set out the initial activity with partners which explored ways of working together to develop a coordinated rural input into the draft Kent and Medway Enterprise and Productivity Strategy in the context of Kent County Council's (KCCs) "Your Future, Our Priority" Strategic Statement. Mr Smith informed Members that the Kent Rural Board (KRB) had been dormant for eighteen months, however, KCC's aim was to create a

reconstituted KRB or similar body with a new membership and sought the Committee's comments on how to move this notion forward.

2. Mr Whiting (Cabinet Member for Economic Development) noted Members' comments and said that there was an opportunity to revisit the Terms of Reference and membership of the Board and that a report would be brought back to the Committee following a consultation with stakeholders. Mr Whiting also commented on the prospect of using the Board as a mechanism to lobby Government. He asked that further suggestions be fed back to Mr Smith directly.
3. Members commended the report and welcomed a reconstituted KRB which would allow rural economy matters to be discussed in the context of KCC's strategic objectives.
4. It was RESOLVED that the report be noted.

220. Work Programme 2020/21

(Item 12)

1. It was RESOLVED that the Work Programme be noted, subject to the inclusion of the following items:
 - (a) A report on S106 Developer Contributions
 - (b) A report on Flood Defence Management – it was agreed for a paper to be presented at the next Cabinet Committee meeting on 14 May 2020
 - (c) An update report on Kent's Rural Economy