

KENT COUNTY COUNCIL

GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE

MINUTES of a meeting of the Growth, Economic Development and Communities Cabinet Committee held online on Monday, 18 January 2021.

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

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

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

UNRESTRICTED ITEMS

263. Apologies and Substitutes

(Item 2)

Apologies for absence were received from Mr Ridgers, Miss Morton attended as his substitute.

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

(Item 3)

There were no declarations of interest.

265. Minutes of the meeting held on 17 November 2020

(Item 4)

Resolved that the minutes were a correct record and that they be signed by the chairman.

266. Verbal updates by Cabinet Members and Corporate Director

(Item 5)

1. Mr Hill (Cabinet Member for Community and Regulatory Affairs) said the coroner for North West Kent had been investigating a death following a police shooting since 2016 and that there was a statutory obligation for such cases to be heard with a jury. Since the lockdown in March 2020 all inquest hearings had been held virtually, however, this method was not acceptable for this case. The coroner's service had, therefore, worked closely with KCC's infrastructure service to develop a Covid-safe way to accommodate a jury, the presiding coroner, the coroner's counsel, and witnesses in a court setting using County Hall and a bespoke IT package. In addition, jurors were provided with iPads to enable them

to access documents using a court document software package. Mr Hill said this was the first time this software had been used in a coroner's court, the first complex jury inquest in England and Wales delivered with significant video conferencing functionality, and during Covid-19 restrictions. He was pleased to say that a number of compliments from the Police and the judiciary had been received on the successful staging of this complex event despite the many complications presented by Covid-19.

2. Mr Whiting said he had been working closely with Locate in Kent to ensure Kent was not left out of the government's levelling up agenda which was focussed on the Midlands and the North. He said it was important that ministers recognised that Kent had areas of high deprivation, which should be reflected in any plans to relocate government departments from London to other parts of the country.
3. Mr Whiting said the London Resort had submitted its application for a Direct Consent Order to government. He said that, while KCC was generally supportive of the project, which had the potential for to bring significant economic benefit to Kent, there were areas of concern including transport and environmental matters. Officers were, however, working through these issues with the development company and the three planning authorities in the area.
4. Mr Whiting referred to the Scrutiny Committee's timely short, focussed inquiry into the local farming economy and said it would help inform new strategies to assist farmers, who played a vital role in Kent's economy and who had been negatively impacted by the Covid-19 pandemic and extreme weather in the last twelve months.
5. Mr Whiting said that KCC's first Infrastructure Funding Statement was now live on kent.gov.uk and that it provided a summary of all financial and non-financial developer contributions, as well as information on Section 106, legal agreements under the Community Infrastructure Levy and examples of infrastructure projects delivered and planned.
6. Mr Whiting said that the Innovative Sector Exchange Project, a four-year project to bring together innovative technology and creative SMEs across Kent and regions in France, the Netherlands and Belgium had come to an end last month. Over 300 SMEs had taken part in a range of seminars, advice sessions and company visits, with the project assisting those SMEs in the internationalisation of their businesses, in finding new customers and partners, and in boosting their innovation programmes. He also said that partners would take forward this work through the Straits Committee and that he had written to the Cabinet Office to make the government aware of the project and KCC's commitment to continuing cross-border partnerships. He congratulated the project manager, Steve Samson, who had managed the project on behalf of KCC.
7. Mr Whiting said that he would be speaking at the launch of the Experience Project which was part of an Interreg initiative funded by an EU grant of over €20 million. The project, led locally by Visit Kent, was scheduled to run until June 2023 with the objective of attracting new visitors to Kent from across the Channel, focussing on outdoor tourism activities such as walking and cycling.

8. Mr Whiting concluded his update by referring to land sales made by East Kent Opportunities, the limited liability Joint Venture formed between KCC and Thanet District Council, at Manston Business Park to All Access Scaffolding Limited, a local SME employing 100 people and to three future land sales that would allow the completion of Maples Business Park which provided affordable and flexible workshop, storage, and office accommodation for dozens of SME businesses. He thanked Matt Hyland, Chelsea Green and Thanet District Council for their work and cooperation in this highly successful partnership.
9. The verbal updates were noted.

267. Draft Capital Programme 2021-24 and Revenue Budget 2021-22

(Item 7)

Mr Oakford (Deputy Leader and Cabinet Member for Finance, Corporate & Traded Services) Zena Cooke (Corporate Director Finance), Dave Shipton (Head of Finance Policy, Planning and Strategy) and Kevin Tilson (Finance Business Partner) were in attendance for this item.

1. Mr Oakford introduced the report and referred, in particular, to the challenges in drafting the budget which had led to the proposal to increase council tax by 5%. He said this was necessary to enhance financial resilience and maintain a reasonable emergency reserve to cover unforeseen circumstances.
2. Mr Shipton referred to the budget report, published on 6 January, and described the principal changes in the presentation of the budget compared with other years as well as the reasons for presenting the full budget to all cabinet committees.
3. Mr Hill and Mr Whiting said the budgets relating to their portfolios were relatively small in relation to the overall budget. Mr Hill said that savings had been made in all areas of his portfolio and that the revenue for some services including the Public Rights of Way had increased. Mr Whiting said the Economic Development team had an enviable track record in securing funding from a variety of sources, and referred to the capital spending on projects such as the rollout of broadband, the no use empty scheme and the business loan scheme which attracted substantial match funding from the private sector.
4. In response to questions, Mr Hill said he was in discussion about dealing with vacancies in the community warden service. He also recognised the importance and value of internet facilities in Kent libraries to residents and said the service would be provided as soon as it was safe to do so. Mr Pearson said that the current offer of 'select and collect' was similar to library services being offered by other authorities and that others were also not offering PC access at this time. Staff and customer safety had to be the priority.
5. Resolved that the draft capital and revenue budgets, including the responses to the budget consultation, be noted.

268. 21/00001 Kent and Medway Growth Fund Extension

(Item 6)

Martyn Riley (Programme Manager) was in attendance for this item

1. Mr Smith introduced the report which outlined a proposal to extend the operation of the Kent and Medway Business Fund until 31 March 2023.
2. In response to members' questions, Mr Smith said the fund had originally consisted of separate pots for north, east, and west Kent and, at that time decisions, about the allocation of funding had involved members from the district councils in those area. Subsequently, the size of the fund was reduced, and a decision made to streamline the decision-making process. The streamlined process included participation in the advisory board's discussions by representatives of each of those areas. North Kent was represented by a councillor from Medway, West Kent by the Leader of Sevenoaks District Council and East Kent by Mr Lymer (the KCC member for Dover West). Mr Smith said he would discuss the question of member representation with the chairman of the advisory board but that it did not affect the proposed decision being considered by the cabinet committee today.
3. In response to further questions, Mr Smith said the Kent and Medway Business Fund provided loans or made equity investments in companies rather than giving grants. He said that in the early life of the fund, grants had been awarded to three companies who were seeking to re-locate to Kent, however, it became apparent that interest free loans repayable over six or seven years were just as effective in attracting firms to Kent. In addition, the repayment of loans created an income which could be recycled into more loans increasing the number of businesses that could be assisted. He said that the advisory board's terms of reference were modelled on the terms of reference of the Industrial Development Advisory Board which advised the Secretary of State for Business on government financial assistance to business under the Industry Act 1972 and the Industrial Development Act 1982. The membership of the board was drawn from the business sector and included those with specialist knowledge of investment and technology. The board members were not paid and did not receive expenses. One member received a fee for some specialist finance work he conducted for the board, but this was separate from his role as a board member. Mr Smith said that one of the members of the board was the head of a charitable organisation and he undertook to look again at the composition of the board.
4. Mr Smith said that the EQiA had been included with the report as a matter of record and, although it did not specifically refer to deafness, he assured the member that all protected characteristics were considered when administering the fund. He also confirmed that a company's policies relating to the environment, social value as well as traineeships and apprenticeships were considered as part of the application process, but the biggest determining

factor was the extent to which a company applying for a loan would create new jobs in Kent.

5. Mr Smith undertook to provide the cabinet committee with information relating to the number of companies, with women as directors or chief executives, that had received loans as well as the number of successful applications from Gravesham.
6. Mr Smith said that the Covid-19 pandemic had affected different sectors of business differently. The construction industry had been able to re-start during the summer, but it had not been possible for the hospitality and cultural sectors to re-open. A £6m fund had been launched in August and as some money remained unallocated, the launch of a second round of funding was being considered. The terms and conditions of the re-launched round would enable companies, which might not have been able to meet government conditions for government-backed loans, to apply for loans to support job creation.
7. Resolved to endorse the proposed decision of the Cabinet Member for Economic Development to delegate the authority to the Director of Economic Development:
 - a) To enter into relevant contracts, legal agreements and put appropriate arrangements in place required to implement this decision allowing Kent, Medway, and Thurrock Companies to access grants, loans or equity investments from the Kent and Medway Business Fund until the 31 March 2023.
 - b) That these grants, loans, and equity investments would be financed from recycled loan and equity repayments previously obtained from companies that received funds via the former Regional Growth Fund and Kent and Medway Business Fund programmes.
 - c) These investments shall be subject to the same rules, criteria and management/administrative charges as investments that have been allocated under the existing Kent and Medway Business Fund scheme.

269. Covid-19 Update (Presentation)

(Item 8)

1. Mr Pearson, Mrs Holt-Castle, and Mr Smith gave a presentation which is attached as an appendix to these minutes.
2. In response to members' questions officers provided the following information.
3. Mr Pearson said the government had relaxed some of the timescales for registration particularly relating to benefit claims as a result of the pandemic. He also said that he was confident that any backlog of registrations would be cleared quickly once it was safe to re-start services.

4. Mrs Holt-Castle said that where a business address, for the perpetrators of scams, could be identified the trading standards for that area lead the investigation with significant co-ordination nationally. She also said that the Police were responsible for responding to breaches of Covid-19 regulations.
5. Mr Smith said that an employment task force had been established to mitigate the impact of unemployment as a result of the pandemic and was focussed on support for young people where as many as one in every ten had not been able to find a job.
6. The presentation was noted.

270. Transition Update (Presentation)

(Item 9)

1. Mrs Cooper gave a presentation which is attached as an appendix to these minutes.
2. In response to members' questions, Mrs Cooper said that lessons had been learned from the most recent congestion on the M20 as a result of the requirement for lorry drivers to have a negative Covid-19 test before travelling to the continent. She also said that the environmental impact assessment on the Sevington Inland Border Facility had been conducted by the Department for Transport and that she would follow it up. She said HGVs could travel into Kent with an orange permit but needed to get a green permit at Ebbsfleet, Sevington or Waterbrook. Fines of £300 per offence were being imposed and, in addition, the lorries without green permits were being turned back at the ports and the Channel Tunnel. She said larger companies were, in many cases, coping better with the new requirements than smaller ones. Mrs Cooper said that the Manston site had been used solely because of the requirement to test lorry drivers for Covid-19.
3. The update was noted.

271. 21/00005 - Further Investment of Getting Building Funding in third-party projects

(Item 10)

Sarah Nurden (Kent and Medway Economic Partnership Strategic Programme Manager) was in attendance for this item)

1. Mrs Nurden introduced the report which asked the cabinet committee to consider and endorse or make recommendations on a proposed decision to be taken by the Leader of the Council.
2. Resolved to endorse the proposed decision of the Leader of the Council:

- (a) to agree that the Getting Building Funding (GBF) be used to support the third-party project that the South East Local Enterprise Partnership's Strategic Board prioritised to receive GBF at its board meeting on 11 December 2020.
- (b) That Kent County Council acts as the accountable body for third-party projects within Kent's geographical boundaries that are selected by the SELEP to receive GBF grant funding.
- (c) to delegate to the Section 151 Officer the authority to sign on KCC's behalf a grant agreement or equivalent, where this is required to draw down funds following business case approval.

272. Kent Foundation (Presentation)

(Item 11)

1. Mr Whiting said he was very pleased to invite Stuart Tanton and two young entrepreneurs Eva Benka and Hayden Bloomfield to give presentations on the work and impact of the Kent Foundation. Mr Whiting also said that the Kent Foundation was a very important organisation in Kent and that the chairman of the County Council was co-opted as a trustee for the duration of his/her term of office. The presentations are attached as an appendix to these minutes.
2. Following the presentations Mr Whiting thanked Mr Tanton, Miss Benka and Mr Bloomfield for their presentations. He said he hoped that presentations gave members an understanding of the breadth of new businesses coming on stream and the value added by the Kent Foundation.
3. The chairman thanked Mr Tanton, Miss Benka and Mr Bloomfield on behalf of the committee for their presentations.

273. Work Programme 2020/21

(Item 12)

Resolved that the work programme be noted.