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To: Regeneration and Economic Development Policy Overview and
Scrutiny Committee 24 June 2011

Subject: Update on Strategic Projects

Classification: Unrestricted

Summary: This report provides Members with an update on the progress of key regeneration projects.

1. Introduction

- 1.1** This report provides Members with an update on progress of major regeneration projects being delivered by Regeneration and Economy.
- 1.2** The tables that follow present progress against projects in Ashford, Kent Thameside, Dover, Thanet, Swale and for specific countywide initiatives such as Kent and Medway Infrastructure Model, Integrated Infrastructure Finance Model, Developers Guide, Broadband, Sector Conversations, Kent Forum Housing Strategy and No Use Empty.

Project	Summary of project outcome	Cost of Project KCC/Partners £	Latest progress	Next Steps
Ashford Growth Area		Lead Officer: Mike Bodkin - Contact 01622 221960		
Ashford Growth Area	Delivery of the Ashford Programme to support sustainable growth.	Total Programme value £53.5m public sector funding (of which £22m GAF 3 and £5.5m KCC funding).	<ul style="list-style-type: none"> • M20 J9 Footbridge erected. • M20 Drovers roundabout progressing well. • Victoria Way under construction progressing well. 	<ul style="list-style-type: none"> • M20 J9 Footbridge due for completion August 2011. • M20 Drovers roundabout due for completion August 2011. • Victoria Way due for completion September 2011.
Kent Thameside		Lead Officer: Mike Bodkin - Contact 01622 221960		
Homes and Roads	To deliver 11 major transport schemes to support growth of 20,000 homes and 50,000 jobs.	Total cost - £200m (at 2009). (Price base varies for funding commitments) Regional Transport Programme (DfT) £46m (at 2008) HCA £23m (at 2008) DfT £26m (at 2007) Eastern Quarry £40m (at 2007) Developer Contributions £63m (at 2009).	<ul style="list-style-type: none"> • Amended funding agreement with HCA signed at the beginning of March. • £13m HCA contribution received into the Programme Investment Fund. • Further £1.16m developer contributions added to Fund. • 1st Annual Progress Report and Forward Delivery Programme produced. • Work started on the development of Dartford Town Centre scheme and Rathmore Road Link in Gravesend. • Meeting with CLG/HCA/DfT in February to discuss on-going public sector commitment to programme. • Dartford LDF Core Strategy Examination in Public held in May. • Land Securities has initiated a review of transport assessment for Eastern Quarry. 	<ul style="list-style-type: none"> • Partnership agreement between KCC/DBC/GBC to secure further developer contributions for the Investment Fund. • Governance arrangements for the programme to be established. • Memorandum of Understanding between the partners. • On-going discussions with CLG/HCA/DfT regarding further public sector funding for the programme. • Local authorities looking at alternative funding mechanisms including potential Enterprise Zone, hypothecation of New Homes Bonus, Tax Increment Financing. • Further development of schemes and a review of the programme. • Further detailed transport modelling of Dartford and Gravesend town centres.
Ebbsfleet Valley (including Eastern Quarry)	To deliver 11,000 homes and new community adjacent to Ebbsfleet station.	In an excess of an estimated £100m worth of infrastructure secured by KCC and DBC to support	<ul style="list-style-type: none"> • Ebbsfleet Development – ongoing discussions with Land Securities regarding the reconfiguration of the existing S106 for community infrastructure. Recent agreement for the first Primary School trigger to 	<ul style="list-style-type: none"> • Continue negotiations with Land Securities re: their contribution to homes and road programme (as above). • Continue discussions regarding potential financing models for Ebbsfleet

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		the development of Eastern Quarry.	<p>move from 200 to 350 units.</p> <ul style="list-style-type: none"> Land Securities now understood to be actively seeking residential development partners for Eastern Quarry. 	Valley including TIF pilot.
Dover		Lead Officer: David Hughes - Contact 01622 221942		
Whitfield	Development of Whitfield of up to 5,700 new homes and associated community infrastructure.	Significant private sector investment in build out of site and the provision of infrastructure. KCC Officer time in R&E/KHS regarding masterplanning and infrastructure provision.	<ul style="list-style-type: none"> The SPD for Whitfield has now been approved by DDC with allowance for minor changes by officers. Planning applications for residential phases 1, 1a and 5 submitted to Dover DC. The Phase 1a Planning Application due to be considered by DDC Planning Committee on 27/5 was withdrawn. Objections made on the basis that the application was premature in the process and lack of financial support for certain types of infrastructure would set a precedent for further applications. Negotiations with developers on provision of BRT system under way. 	<ul style="list-style-type: none"> Encourage discussions between the developers and landowners regarding equalisation agreement. Ongoing negotiations with developers over S106 contributions. Development of approach to CIL tariff to complement S106 in partnership with DDC. On-going discussions with the Parish Council/Community Group regarding their concerns over infrastructure proposed for the new development. Two planning applications currently submitted to DDC Planning. KCC has submitted its comments and is awaiting discussions with the Developer. Business Case for BRT system to be pursued. Design of bridge over A2 to be procured.
Folkestone		Lead Officer: Theresa Trussell – Contact 01622 221362		
HLF (Townscape Heritage Initiative) bid for £1.6m to enhance public realm and	Extending the creative and cultural offer of the Old Town to attract more tourists and visitors to Folkestone.	Total project cost £1.6m. KCC match funding £400k from Reg Fund (subject to approval). HLF grant of £1.2m	<ul style="list-style-type: none"> Regeneration Fund bid for HLF match funding prepared for July 2011 Board. Pre-application work under way with partners SDC and CF to make HLF bid application in November 2011. 	<ul style="list-style-type: none"> Work is underway to ensure statutory documentation required by HLF is in place. Supporting bids for INTERREG funding and subsidiary HLF funds are being prepared. Work to include other stakeholders in

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landmark buildings in Folkestone Old Town		Additional funding (in kind and capital) will be sought from Creative Foundation and Shepway District Council.		order to enhance the bid is underway. <ul style="list-style-type: none"> Dialogue underway with English Heritage.
Swale		Lead Officer: Mike Bodkin – Contact 01622 221960		
Queenborough/Rushenden Regeneration	Overall scheme to deliver 2000 new homes and related community/road infrastructure over 10 years.	Estimated cost of £26.4m of community infrastructure to be secured from S.106 CLG funding of £390k; KCC £15k to carry out environmental works.	<ul style="list-style-type: none"> First housing unlikely to start until 2013/14. Work in hand to prepare 1st phase housing development site by raising levels against flooding risk. Rushenden Link Road progressing. Completion of complementary environmental works at Rushenden; other environmental/community works in Queenborough now on site. 	<ul style="list-style-type: none"> Reconvene KCC/SBC team to re-examine S106 contributions, including potential contributions from non-housing sites. Completion of Rushenden link road- Autumn 2011. Setting up action plan to take forward new skills/community/employment centre at Q/R alongside 1st phase of development. This will replace existing Rushenden Gateway in a temporary building scheduled to be demolished. Complete remaining KCC funded community/environmental works.
Sittingbourne Northern Relief Road ('Missing link')	Completion of relief road from existing route to A2 at Bapchild. Development of outline design and public consultation on route.	Total cost estimated between £15m to £45m, dependant on final route option selected.	<ul style="list-style-type: none"> Consultation reported to Swale Joint Transportation Board. Options rejected in favour of a comprehensive review of Sittingbourne Southern Relief Road and M2 J5. 	<ul style="list-style-type: none"> Report to Cabinet Member on proposed way forward. Collation of evidence base to support infrastructure and development proposals to accord with LDF timetables.
Sittingbourne Southern Relief Road / M2 Junction 5	Completion of Transportation Strategy for Sittingbourne, including solution to congestion / safety	Total Cost estimated between £120m to £150m. (Preliminary costs only at this stage).	<ul style="list-style-type: none"> Project now included with Northern Relief Road (Bapchild Link) – see above. 	<ul style="list-style-type: none"> Report to Cabinet Member on the way forward.

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	problems at M2 Junction 5.			
Sittingbourne Town Centre	Remodelling / regeneration of Town Centre Retail Core and local road network.	Costs being borne by developers (Tesco / Spenhill).	<ul style="list-style-type: none"> Multi disciplinary team being established to pool information on public sector owed assets and develop new town centre options. Planning applications submitted for both developments. Joint working on Transport Assessments agreed – negotiations on technical details underway. 	<ul style="list-style-type: none"> Analysis of transport impacts using Swale LDF Model. Development of mitigation strategy to support both developments and town centre regeneration proposals. Investigation of potential wider contribution of KCC land and property assets.
Thanet				
East Kent Opportunities LLP	Limited liability partnership created by KCC and Thanet DC to develop land holdings at Manston Business Park and Euro Kent adjacent to Westwood Cross. EuroKent spine Road opened November 2008.	KCC purchased Manston Park landholdings in June 2006 £5.35m. Now sits alongside TDC equivalent landholding at EuroKent in the LLP.	<ul style="list-style-type: none"> Promotional material distributed for public consultation on planning application for Eurokent. Consultation events arranged for 21-25 June. Employ Thanet initiative continuing to develop and held a successful Jobs Fair in April. Sales continue to be pursued at Manston. 	<ul style="list-style-type: none"> Eurokent planning application submission in July. Planning underway for second Employ Thanet Jobs Fair in autumn. Sales pursued at Manston.
Margate				
Rendezvous site development	A quality mixed-use development at the eastern end of the Rendezvous site that is sympathetic to the Turner gallery and provides strong and effective linkages to the Old Town and the Winter Gardens. R&E are working	Total cost will be determined by the eventual direction of the project.	<ul style="list-style-type: none"> Work on the production of a planning brief for the site has continued but results have been delayed by the restructuring at Thanet District Council. The RNLI has confirmed that it will continue to occupy the lifeboat station on the site for at least 5 years. Although their Sport England bid failed, Margate Yacht Club have confirmed their continued interest in 	<ul style="list-style-type: none"> The planning brief for the Rendezvous site will be finalised and discussed with partners before going to TDC and subsequently to public consultation. Options for the Winter Gardens will be considered by a steering group involving KCC and TDC.

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	with Thanet District Council (TDC), to transform the Grade 2 listed, Winter Gardens into a successful, modern operation.		<p>bringing forward a clubhouse and dinghy park development on the site.</p> <ul style="list-style-type: none"> Options for the future of the Winter Gardens have been fully explored at officer level. 	
Development on the Dreamland site	To deliver the Dreamland Entertainment Complex & Heritage Amusement Park on a 10 acre site around the listed cinema and scenic railway.	£12.4m (Phase 1) including: SeaChange £4m HLF £3m TDC £0.75m Developer £4m	<ul style="list-style-type: none"> Work on refurbishment of the Grade II listed building has begun but other progress has been delayed by the failure to reach an agreement on land transfer between the site owners and TDC. In May 2011, TDC began a CPO process on the whole site which is being opposed by the site owners. The absence of the expected developer contribution has also meant that the Phase 1 programme and funding has had to be reviewed. Just over £10m is in place with a further £1m likely to be available from additional grants. 	<ul style="list-style-type: none"> Progress is to a large extent dependent upon the progress of the CPO.
No Use Empty		Lead Officer: Steve Grimshaw - Contact 01622 221906		
No Use Empty	Initiative launched in 2005 as part of its PSA 2 commitments to examine better ways of delivering services and working more effectively with district councils by returning long term empty properties back into use.		<ul style="list-style-type: none"> 411 units achieved in 2010-11 versus a target of 200 (March 2011), culminating in 1,677 of units delivered to date. Presented NUE Model to Scottish Government (March 2011). Swale and Tonbridge & Malling joined loan scheme (April 2011). Bristol City Council adopted NUE brand and launched their own campaign (April 2011). £4.6M loans awarded since start of 	<ul style="list-style-type: none"> Follow up work on recovery of loans - £200k outstanding – revised payment plan in place + interest being recovered. Tunbridge Wells expect to join Loan Scheme (July). Progress discussion with Gravesham on joining Loan Scheme. Continue to process loan applications. Outcome of HCA expression of interest (due July). Potential bid to Regeneration Fund to

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			<p>Initiative, pulling in £8.7M leverage to date (May 2011).</p> <ul style="list-style-type: none"> • £798k of Loans repaid (May 2011) • Further applications for loans with a value of £1M currently being considered / processed. • Submitted expression of interest to HCA for funds of £1.5M to pilot Affordable Homes Project (May 2011). • Submitted an entry to Regeneration & Renewals Annual Awards for Partnership Working (May 2011). • NUE featured as a Case Study on Governments Empty Homes Toolkit recently launched (May 2011). • NUE feature in Property Week in relation to Warren Court Hotel site in Cliftonville (June 2011). 	<p>support the Affordable Homes Project.</p> <ul style="list-style-type: none"> • Presentation on NUE to Maldon and to Welsh Councils including Welsh Assembly (July). • West of England will launch No Use Empty (Aug/Sep). • Monitor on-going schedule of monitoring visits to ensure projects are completing within agreed timescales. • Investigate the use of the NUE model in relation to bringing forward a project to utilise an empty property in East Kent as a boutique hotel.
Kent Forum Housing Strategy		Lead Officer: Brian Horton - Contact 01622 221947		
Kent Forum Housing Strategy	To develop and implement an integrated Housing Strategy for Kent and Medway.	£255k revenue funding from the KCC Regeneration Fund.	<ul style="list-style-type: none"> • Better Homes: localism, aspiration and choice - The Kent Forum Housing Strategy was launched 17 May 2011 at an event where Sir Bob Kerslake described Kent as “Ahead of the game.” • The Launch has received positive media coverage in both local and national outlets. • Kent Housing Group/Kent Rural Board Local Needs Housing Protocol was launched by the Bishop of Dover on 6 June 2011. 	<ul style="list-style-type: none"> • A detailed draft Implementation Plan has been prepared with Kent Housing Group and Kent Planning Officers Group. This plan is subject to the endorsement of the Kent Forum in July 2011. • The draft implementation plan has a number of work streams that are at a late stage of development such as:- <ul style="list-style-type: none"> • Older Adult Research • Houses as homes – Improved accommodation to reduce levels of re-offending.
Sector Conversations		Lead Officer: Megan McKibbin – Contact 01622 221914		

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Sector Conversations	<p>Expanded network of business contacts with key business sectors – target no of new business contacts 800 Identify key actions that will stimulate business growth</p> <p>Task & Finish activities to address issues that will make a tangible difference to business growth</p>	<p>Total project cost £12K – 1.5K per event.</p> <p>Partner contributions in kind – include subsidised venues, business champions time and speakers free of charge</p>	<ul style="list-style-type: none"> • Consultations for Food Production, Horticulture and Agriculture, Construction & Development and Low Carbon Energy Production completed • Detailed event reports produced and shared with delegates – website info pages developed at www.keb.org.uk • 300 businesses engaged to date – communications with businesses who indicated willingness to participate in follow-up action. • Follow-up programme of actions developed for Rural:- Rural Housing Protocol – launched Kent Rural Plc. Food Sector Action Plan. • Water management and measures group – planned event in the autumn. 	<ul style="list-style-type: none"> • Forward programme of consultations.
Kent and Medway Infrastructure Model		Lead Officer: Adele Harrison – Contact 01622 694835		
Kent and Medway Investment Fund	Revolving Fund to provide investment for regeneration	<p>Phase 2: Development £650k – contributions from Medway & Districts subject to further discussion. KCC contribution up to £500k, subject to Regen Fund bid.</p>	<ul style="list-style-type: none"> • Feasibility report produced which sets out how the Fund could operate in Kent and issues to be addressed through the next development stage. • CMT approval to proceed to development stage (7/6/11). 	<ul style="list-style-type: none"> • Feasibility report to be presented to Kent Joint Chief Execs (21/6/11). Purpose of meeting is to establish which Districts want to jointly take forward the development and potential set up of the Fund. • Subject to support from Districts, consultancy support will be procured for phase 2 development. • Development stage is anticipated to be 9-12 months through to Fund set up.
Pfizer/East Kent Recovery Package		Lead Officer: Barbara Cooper – Contact 01622 221856		
Pfizer/East Kent Recovery Package	Following the announcement that Pfizer will exit the	Sandwich Task Force, East Kent Leaders and CE's,	<ul style="list-style-type: none"> • Task Force established in February chaired by Paul Carter, and meeting monthly. 	<ul style="list-style-type: none"> • Applications for Enterprise Zone designation and Regional Growth Funding to be submitted by 30 June.

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	<p>Sandwich site by the end of 2012, this project focuses on:</p> <p>a) Establishing new options for the future of the Sandwich site;</p> <p>b) Supporting staff, contractors and suppliers affected by closure; and</p> <p>c) Developing the broader economic strategy for East Kent.</p>	Business and HE.	<ul style="list-style-type: none"> • Second Task Force Report submitted to Government in May. • Expression of Interest for Enterprise Zone designation for Sandwich site submitted in April; full proposal in development. • Application for Regional Growth Funding focused on Pfizer site, transport infrastructure and business growth in the wider East Kent economy being progressed. • Pfizer in discussion with a number of contract research organisations, which could result in the retention of some core functions and employment at Sandwich. • Active marketing of site now underway (CBRE contracted by Pfizer and working with Locate in Kent). • Joint skills and employment activity underway between Pfizer's contracted agents and public sector, with series of events held to support staff looking to change careers and establish businesses. 	<ul style="list-style-type: none"> • Longer term East Kent Recovery and Growth Strategy being developed over coming months. • Continued development of options for the long-term future of the Sandwich site.
Rural Superfast Broadband Project		Lead Officer: Elizabeth Harrison – Contact 01622 694835		
Unlocking Kent's Potential: Rural Superfast Broadband Project	To pilot innovative solutions to providing high speed access in areas of market failure for next generation broadband access.	£1.6m	<ul style="list-style-type: none"> • 1st wave of pilot locations have been announced following a competitive bid process. • Procurement for contract framework currently underway. • Project imitation meetings have been held with wave 1 pilots. • BDUK bid has been submitted to secure additional money to support 	<ul style="list-style-type: none"> • Contract framework will be completed to enable commencement of mini-competitions to procure individual pilot solutions. • Outcome of BDUK bid to be negotiated with BDUK. • Wave 2 pilot parameters to be finalised with steering group.

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			<p>the upgrade of Kent's rural broadband.</p> <ul style="list-style-type: none"> • Interreg IVC Engage bid agreed and submitted to support innovation within wider programme. • 	
Integrated Infrastructure Finance Model & Developers Guide		Lead Officer: Nigel Smith – Contact 01622 221867		
Integrated Infrastructure and Finance Model	Model to support What Price Growth work and developed jointly with Finance and external consultants	£125k revenue funding from the KCC Regeneration Fund.	<ul style="list-style-type: none"> • URS Scott Wilson (consultants) developed model. • Approach validated by SNR Denton. • Outputs signed off by KASS Senior Management Team. • ELS and C&C evaluating outputs. • Finance inputting corporate information. 	<ul style="list-style-type: none"> • ELS and C&C to approve outputs. • Finance to complete corporate section of model. • Use information to inform Local Development Frameworks (LDF's), Infrastructure Delivery Plans (IDP's), Community Infrastructure Levy (CIL) and KCC Developers Guide.
Developers Guide	A revision of the current Guide to reflect new innovative service delivery methods for ELS, C&C and FSC and KCC's approach delivering services in the current economic climate. The Guide will be informed by the IIFM above.	£25k for public consultation	<ul style="list-style-type: none"> • Draft Guide prepared. 	<ul style="list-style-type: none"> • Internal partnership consultation. • Modify and obtain Cabinet approval ready for public consultation. • Consideration of appropriate amendments and adoption by KCC.

2. Recommendation:

2.1 Members are asked to note progress against each of the projects.

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