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To: Regeneration and Economic Development Policy Overview and
Scrutiny Committee 23 September 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"> • J9 & footbridge subject to some delays but final completion scheduled for October. • Drovers Roundabout now substantially completed. • Victoria Way subject to further delays due to utilities but final completion scheduled for end of October. 	<ul style="list-style-type: none"> • Completion of major highway schemes. • Final meeting of Ashford's Future Partnership Board on 29 September, then Locality Board will assume oversight of growth programme. • Ashford BC is commencing LDF core strategy review to confirm extent and pace of growth of the town. KCC will continue to contribute to this and ongoing partnership activities.
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"> • 1st Annual Progress Report produced including a proposed Forward Delivery Programme for the period 2011/12 to 2016/17. • Planning applications submitted for major development sites in Dartford at Lowfield Street and GSK East & Millpond. Problem locations identified as a result of these schemes and negotiations on-going regarding mitigation measures and contributions. • Consultants engaged to take forward design for Rathmore Road Link, Gravesend. • Inspector's report on Dartford Core Strategy EIP published on 1st August endorsing Homes & Roads programme approach. • Methodology agreed for Eastern Quarry transport assessment and surveys carried out. 	<ul style="list-style-type: none"> • Partnership Agreement between KCC/DBC/GBC to secure further developer contributions. • Governance structure to be drafted and discussed with partners (to incorporate proposed Memorandum of Understanding). • On-going discussions with CLG/DfT regarding further public sector funding commitment. • Alternative funding options (e.g. New Homes Bonus, Tax Increment Financing, and Kent & Medway Investment Fund) to be investigated. • Schemes identified in Forward Delivery Programme to be progressed. • Work underway to identify a package of mitigation measures to support development in Dartford Town Centre in addition to current planning application submitted.

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Ebbsfleet Valley (including Eastern Quarry)	To deliver 11,000 homes and new community adjacent to Ebbsfleet station.	An estimated £100m worth of infrastructure secured by KCC and DBC to support the development of Eastern Quarry.	<ul style="list-style-type: none"> • Ebbsfleet Development – Recent agreement for the first Primary School trigger to move from 200 to 350 units. • Still no formal agreement by Land Securities to the proposed reconfiguration of the remaining S.106 terms for community infrastructure. • Land Securities are actively seeking residential development partners for Eastern Quarry. 	<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 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"> • Phase 1a granted planning permission (June 2011). • Phase 1 granted planning permission (July 2011). • Planning granted subject to a significant number of issues being resolved –affordable housing, transportation and community infrastructure. 	<ul style="list-style-type: none"> • Assist DDC with developing their approach to CIL. • Negotiate with developers on S106 requirements as required by planning consents to ensure delivery of sites. • Negotiate with Highways Agency to resolve Article 14 direction preventing planning going ahead. • Negotiate with developers to secure transportation requirement mitigating impact of developments.
Folkestone		Lead Officer: Theresa Trussell – Contact 01622 221362		
HLF (Townscape Heritage Initiative) bid for £1.6m to enhance public realm and landmark buildings in Folkestone Old	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 Additional funding (in kind and capital) will be sought from	<ul style="list-style-type: none"> • HLF application process fully underway for submission in November 2011. Project team comprising of KCC, Shepway District Council and Creative Foundation now formed and operational. Other partners to be included as project progresses. • Consultation underway and letters of support being received. 	<ul style="list-style-type: none"> • Submit HLF bid in November 2011. • Complete survey work, consultation and design for highways element of the scheme. • Carry out consultation and finalise the scheme details.

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Town		Creative Foundation and Shepway District Council.	<ul style="list-style-type: none"> • Background work to bring forward the highways element of the project underway. • Regen Fund bid of £500K submitted - £100k agreed by Regen Fund sub Group for improvements to Tontine Street and Tram Road. £400K to be decided later on the outcome of the HLF Bid. 	
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"> • Works to prepare land for 1st phase of housing (starts+ expected 2013) in hand. • Rushenden link road progressing. • Completion of most of environmental/community works at Q/R- one project on site this summer. • Preparation of agreed Action Plan to take forward new skills/community centre to replace existing Rushenden Gateway, located in a temporary building scheduled to be demolished. 	<ul style="list-style-type: none"> • Set up KCC/SBC team to re-examine S106 and secure necessary contributions to infrastructure in Q/R from Sept 2011. • Rushenden link road scheduled for completion November 2011. • Completion of final KCC supported env/community schemes winter 2011. • Taking forward of Action Plan for new skills/community centre at Rushenden.
Sittingbourne Northern Relief Road	<ul style="list-style-type: none"> • Milton Creek Crossing. To join Eurolink and Kemsley Industrial Areas, relieving Town Centre. • Bapchild Link. Completion of relief road from existing route to A2 at Bapchild. route. 	<p>Total cost £30.6m HCA £8m S106 £2.6 DfT £20m</p> <p>Total cost estimated between £15m to £45m, dependant on final route option selected,</p>	<ul style="list-style-type: none"> • Work proceeding well – to target and below budget. • Following decision with Swale JTB, no further work on Bapchild to be pursued, pending development of a scheme to include a Southern Relief Road, to join the M2. 	<ul style="list-style-type: none"> • Road due to be completed by December 2011. • Initial work on Southern Relief Road and access to Kent Science Park to be submitted to Swale BC for possible inclusion in LDF Core Strategy by September 2011.

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Sittingbourne Northern Relief Road /M2 Junction 5	<ul style="list-style-type: none"> M2/Junction 5 Completion of Transportation Strategy for Sittingbourne, including solution to congestion / safety problems at M2 Junction 5. 	Total Cost estimated between £120m to £150m. (Preliminary costs only at this stage).	<ul style="list-style-type: none"> Work pursued as identified by Swale JTB Members above. 	<ul style="list-style-type: none"> See note above.
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"> Joint meeting held between Swale BC and KCC July 2011 to agree way forward to achieve uplift in Sittingbourne town centre and potential sharing of land assets. Planning Applications for Morrisons and Tesco / Spenhill being assessed Swale BC negotiating development agreement with Spirit of Sittingbourne for redevelopment of SBC owned sites in town centre. Joint approach agreed on transport modelling to enable comprehensive assessment of proposals. 	<ul style="list-style-type: none"> Follow up to see how KCC assets can be used in potential land development model. Discussions with SBC over possible involvement of KCC owned sites and / or services in conjunction with Spirit of Sittingbourne partnership. Heads of Terms of development agreement (DA) to be signed by SBC by end of Sept, full DA by end Dec. Transport Mitigation strategy to be agreed and reported to Swale BC.
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"> Evaluation from consultation feedback on Eurokent planning application proposal. Ongoing stakeholder engagement being concluded prior to planning application. All sales continued to be pursued at Manston with available market leads. 	<ul style="list-style-type: none"> Eurokent planning submission in Sept/Oct to be informed by consultation. Planning underway for second Employ Thanet Jobs Fair in autumn. All sales opportunities to be pursued at Manston in difficult market conditions.

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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 with Thanet District Council (TDC), to transform the Grade 2 listed, Winter Gardens into a successful, modern operation.	Total cost will be determined by the eventual direction of the project.	<ul style="list-style-type: none"> Landscaping works in front of the new Turner Contemporary completed except for slipway. Measures to limit parking and direct TC visitors to parking in the town being implemented. Planning brief from TDC for site still awaited. Member level meeting (KCC and TDC) held July 2011 to review options and agree way forward for Winter Gardens. Likely future aim is for joint public/private initiative to refurbish and improve offer. 	<ul style="list-style-type: none"> Objective for joint KCC/private sector scheme to develop eastern end of the site for hotel/apartments remains – keeping watching brief on market (nb previous private sector partners pulled out in 2010 due to lack of demand in the market) to gauge impact of TC in the longer term. Taking forward planning brief for Rendezvous site with partners and users of the site (eg RNLI and Margate Yacht club). Winter Gardens to be maintained as now by TDC (the owners) as live music venue - re-evaluation of market opportunities early 2012.
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"> TDC has taken steps to CPO (compulsorily purchase) whole Dreamland site. 	<ul style="list-style-type: none"> Progress is dependant on the CPO – this will take some time as site value needs to be agreed via formal process
No Use Empty				
No Use Empty	Initiative launched in 2005 as part of its PSA 2 commitments to examine better ways of delivering services and		<ul style="list-style-type: none"> Tunbridge Wells joined the Loan Scheme (July). NUE confirmed as 1 of 4 partnerships shortlisted for a Regeneration & Renewal Award (July). 	<ul style="list-style-type: none"> Gravesham BC expected to join Loan Scheme (Oct). Discussion with Maidstone BC on joining Loan Scheme. Continue to process loan applications. Outcome of HCA expression of interest

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	working more effectively with district councils by returning long term empty properties back into use.		<ul style="list-style-type: none"> • Presented NUE Model to Maldon and Community Housing Wales (inc. Welsh Assembly (July). • £4.8m loans awarded since start of Initiative, pulling in £10.4m leverage to date (Aug 2011). • £831k of loans repaid (Aug 2011). • Further applications for loans with a value of £1m currently being considered / processed. • 1,729 units returned to date since start of the Initiative. • 52 units achieved by Qtr 1 2011-12 versus an annual target of 200. • HCA have acknowledged bid for funds of £1.5m to pilot NUE Affordable Homes Project but have delayed announcing successful bids until September. 	<p>(due Sept).</p> <ul style="list-style-type: none"> • Further Development of the NUE Affordable Homes Project (subject to successful bids). • Follow up work on recovery of loans in relation to revised payment plans (further 50k due by Sept). • NUE to pilot a “drop in surgery” at West Kent Landlord Forum to offer advice, guidance and potential loan assistance.
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 (rev) funding from the KCC Regeneration Fund. £200K (capital)	<ul style="list-style-type: none"> • A detailed Implementation Plan has been prepared with Kent Housing Group and Kent Planning Officers Group. This Plan has been endorsed by Joint Kent Chiefs and the Kent Forum. • The final implementation plan has a number of work streams that are at an advanced stage of development including: <ol style="list-style-type: none"> 1. The Rural Housing Protocol – this has been launched by the Bishop of Dover. The Protocol has been jointly sponsored by Kent Housing Group and the Kent Rural Board. 	<ul style="list-style-type: none"> • The Kent Forum will receive an update on progress and a proposal for refresh of the Housing Strategy in September. <p>Work is progressing on the delivery of the recommendations detailed in the Implementation Plan, including:</p> <ul style="list-style-type: none"> • The development of Housing and Planning Futures, a new methodology to help District and Boroughs to determine their future dwelling numbers and recommend a Kent single managed growth ambition.

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			<p>2. Older Peoples Housing Needs and Aspiration Report has been completed and recommendations are being progressed by a multi agency task and finish group.</p> <p>3. Houses as homes – Improved accommodation to reduce levels of re-offending – this report was presented to the Integrated Offender Management Strategy Board (IOMSB) and they have agreed to use the report to inform the housing theme in the IOMSB work plan.</p>	<ul style="list-style-type: none"> • Scoping work carried out between KCC and a major constructor into institutional investment on publicly-owned land to fund the delivery of new private sector housing. • Initial discussions have been held with Sector Treasury Services and Local Authorities around the development of a Kent-wide Local Authority Mortgage Scheme to help First Time Buyers access the mortgage market. • The completion of the Rural Housing Protocol, which was launched by the Bishop of Dover on 6th June and is currently being taken through District and Borough Executives. • The completion of detailed research on older people's housing provision, recommendations from which will be taken forward by a KHG Task and Finish Group. • The completion of research into the role of housing in the re-settlement of ex-prisoners, which has been used by the Integrated Offender Management Strategy Board as the basis for the housing strand of their reducing re-offending pathway.
Sector Conversations		Lead Officer: Megan McKibbin – Contact 01622 221914		
Sector Conversations	Expanded network of business contacts with key business sectors – target no of new business	Total project cost £12K – 1.5K per event. Partner	<ul style="list-style-type: none"> • 3 consultations have been completed Food Production, Horticulture and Agriculture, Construction & Development and Low Carbon Energy Production. The detailed 	<p>The forthcoming programme of consultations is as follows:-</p> <ul style="list-style-type: none"> • 19 Sept, Health & Social Care – hosted at East Malling Research Centre.

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	<p>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>contributions in kind – include subsidised venues, business champions time and speakers free of charge</p>	<p>event reports have been produced and shared with delegates on website. www.keb.org.uk</p> <ul style="list-style-type: none"> • Some 400 businesses participated in the events and some 800 have been contacted to date. • Follow-up to date includes: - the development of Skills Task & Finish Groups focussed on Communications, Agriculture and Low Carbon Industries have been taking place during August and early September. • Kent Rural Plc – a concept initially raised at the Agricultural sector consultation was formally launched at the County Show on 15 July. • Participants from that sector consultation have been recruited to work in partnership to progress the discreet elements of the Kent Rural Plc initiative, Food Sector Action Plan. • Water Management Group – planned event in the autumn. 	<ul style="list-style-type: none"> • w/c 24 Oct, Creative & Digital – hosted at Maidstone Studios – and delivered in partnership with Media Tree. • High Growth and Technology Businesses – late Nov – date tbc. • Manufacturing and Engineering – early 2012. <p>The Kent Innovation and Growth team funded via the KCC Regen Fund from Sept 2011 will be running a series of masterclass events to address some of the barriers businesses face i.e. access to venture capital, sector buying networks, access to public sector procurement etc.</p>
Kent and Medway Infrastructure Model		Lead Officer: Adele Harrison – Contact 01622 694835		
Kent and Medway Investment Fund	Revolving Fund to provide investment for regeneration	Phase 2: Development £650k – contributions from Medway & Districts subject to further discussion. KCC contribution up to £500k, subject to	<ul style="list-style-type: none"> • Feasibility report presented to Kent Joint Chief Execs (21/6/11). Many districts indicating an interest. • Ongoing individual meetings with each authority to explain model in detail. • All districts have been invited to contribute towards the next stage of developing KMIF at a cost of £25k 	<ul style="list-style-type: none"> • Asset review to assess potential value to create 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.

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		Regen Fund bid.	<p>each.</p> <ul style="list-style-type: none"> • £50k commitment secured from Medway and also £25k each from 3 districts. • All others subject to the outcome of a review of their assets to determine value, whether appropriate to KMIF and whether capable of raising sufficient capital to seed the fund. 	
Pfizer/East Kent Recovery Package		Lead Officer: Barbara Cooper – Contact 01622 221856		
Pfizer/East Kent Recovery Package	<p>Following the announcement that Pfizer will exit the Sandwich site by the end of 2012, this project focuses on:</p> <ol style="list-style-type: none"> a) Establishing new options for the future of the Sandwich site; b) Supporting staff, contractors and suppliers affected by closure; and c) Developing the broader economic strategy for East Kent. 	Sandwich Task Force, East Kent Leaders and CE's, Business and HE.	<ul style="list-style-type: none"> • Task Force established in February and continuing to meet. • Sandwich site now being marketed as Discovery Park by CBRE, with support from Locate in Kent. • Full economic impact assessment completed. • Enterprise Zone designation secured for Sandwich site. This gives a business rate discount worth up to £275k over five years for new occupiers on the site from April 2012. • Funding to provide 1 in 200 year flood defence for Sandwich site and town secured. • Application submitted to Regional Growth Fund to support access to finance for business and key infrastructure across East Kent. • Additional EU funding secured through Skills Funding Agency to support training and skills development for unemployed people across East Kent. • Joint skills and employment activity continuing, with programme of 	<ul style="list-style-type: none"> • Decision on Government support for Regional Growth Fund expected in October. • Site marketing continuing, and to incorporate marketing of incentives associated with Enterprise Zone. • Preparation to take place for successful implementation of Enterprise Zone, including development of Zone governance arrangements. • Longer term framework for economic development in East Kent to be taken forward in conjunction with East Kent districts.

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			support offered for Pfizer staff seeking to establish own businesses and spin-outs.	
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"> • Meetings held with the 5 communities for round 1 with successful discussions. • Evaluated tenders for procurement framework. • Discussions ongoing with BDUK to secure government funding. 	<ul style="list-style-type: none"> • Finalisation of procurement framework. • Commencement of mini-competitions to procure individual pilot solutions. • Wave 2 pilot parameters to be finalised with steering group.
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 Area Education Officers and C&C Heads of Service. • Finance inputting corporate information. • Information being used to inform Local Development Frameworks (LDF's), Infrastructure Delivery Plans. 	<ul style="list-style-type: none"> • Finance to complete corporate section of model. • Use model as the single source of information for ELS, FSC and C&C in connection with Planning Applications, 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	£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.

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	approach delivering services in the current economic climate. The Guide will be informed by the IIFM above.			

2. Recommendation:

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

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