

**By: Kevin Lynes, Cabinet Member for Regeneration and Economic Development**

**David Cockburn, Corporate Director, Business and Solutions**

**To: Regeneration and Economic Development Policy Overview and Scrutiny Committee - 19 January 2012**

**Subject: The Future of SEEDA's Assets**

**Classification: Unrestricted**

---

**Summary:**

This report summarises how SEEDA's assets located in Kent will be managed going forward.

---

**1. Introduction**

- 1.1 As part of its role in unlocking difficult sites, SEEDA had acquired many sites in Kent and Medway. With its demise the sites have been transferred to the HCA. This report explains the process for transfer as well as how local authorities are involved in their development and disposal.

**2. Detail**

- 2.1 Back in July 2011 BIS/CLG and Treasury agreed that all assets owned by Regional Development Agencies would be transferred to the Homes and Communities Agency (HCA) with the HCA remaining the accountable body for their development and disposal. It was also agreed that there would be significant opportunities for local authorities (and others) to influence the business plan and strategy. A series of local committees was proposed. The local committees would be responsible for preparing the local delivery plans which would need to be approved by the HCA. Although the delivery plans have to be self sustaining at local and a national level over a 10 year delivery period, they would be built from the bottom up. The HCA would be able to use the income from the portfolio to invest in developments that maximise economic outcomes. The HCA were also clear in their intention to deliver the economic and housing benefits for which the sites were originally acquired.
- 2.2 In Kent and Medway land and property assets were transferred from SEEDA to the HCA on 19<sup>th</sup> September (see appendix 1 for list of sites) together with a team of experienced staff based in

Kent. The sites will be managed as part of the National Stewardship Model, the key components of which are:

- Disposal strategy to secure delivery of original economic objectives over 10 years with a financial return back to Government
- Surplus capital and revenue returned to the National Programme on an annual basis
- Local authorities invited to act in an advisory capacity and to assist in project delivery
- Aim to balance income and receipts as far as possible locally but can make case for funding particularly if this helps to increase receipts which can support delivery elsewhere
- Annual process in terms of accounting any net surpluses from the National programme will be returned to government
- It will be iterative and can respond to changing circumstances
- Further acquisitions unlikely unless there is a compelling case.

2.3 The sites in Kent comprise 10 locations and range from large brownfield sites requiring enabling infrastructure such as Northfleet Embankment through to sites requiring more detailed planning such as Ashford to more 'oven ready' sites such as Rochester Riverside. To date, the portfolio of sites has received some £350m of public investment and in most cases only a limited amount of further investment is required to attract private sector partners and to realise receipts.

2.4 In Kent and Medway a member led Economic Assets Advisory Group (EAAG) has been established comprising the HCA and the Leaders from each authority with sites in their areas as well as the Portfolio Holder for Regeneration and Economic Development at KCC. The EAAG is supported by a Chief Officer Group.

2.5 The HCA has worked closely with officers from each authority to prepare a delivery plan for each site. Whilst some level of funding is required across the portfolio the majority of future investment is concentrated in three locations – Northfleet Embankment, Queenborough and Rushenden and Chatham Maritime. The resultant development programme seeks to maintain momentum at each of the 10 locations bringing forward sites for development at the earliest opportunity by funding any investment activities in the first 3 years.

2.6 The Economic Assets Advisory Group has approved the draft delivery plans for each site as well as the overall programme. Whilst the detail of the draft Delivery Plans are confidential and commercially sensitive at this stage, in summary the draft Delivery Plan shows investment of some £37m through to 2016/17 with

estimated capital receipts of some £53 - £66m (dependent upon disposal timescales and the market). This level of investment could result in over 6000 new homes, 12000 jobs and nearly 600,000m2 of commercial floorspace. However, the challenge will be to persuade the HCA to keep any financial gains from disposals within Kent and Medway as opposed to passing them to the National Programme. The HCA are very open to this debate.

- 2.7 The overall Delivery Plan will now be submitted by the HCA to the National Programme Team. Feedback is awaited but if necessary the HCA will call a meeting of the EAAG if changes are required. The EAAG will then meet quarterly to oversee delivery.

### **3. Conclusions**

- 3.1 Members are asked to note the contents of the report.

**Author Contact Details:** Barbara Cooper  
**Directorate:** Business Strategy and Support

**Email:** [barbara.cooper@kent.gov.uk](mailto:barbara.cooper@kent.gov.uk)

**Tel:** 01622 221856

**Background Documents:**  
None

## APPENDIX 1

<b>Sites in Kent / Medway transferred to HCA</b>
Elwick Place, Ashford
Rimmel site, Ashford
Commercial Quarter (including Crouch's Garage and International House)
Victoria Road and Beaver Road, Ashford
Dartford Northern Gateway sites
Buckland Mill
Northfleet Embankment
Queenborough and Rushenden sites
Chatham Maritime (including St Mary's Island)
Rochester Riverside

N.B It should be noted that the site at Betteshanger also transferred to the HCA under the Coalfields programme.