

KENT COUNTY COUNCIL

ECONOMIC DEVELOPMENT CABINET COMMITTEE

MINUTES of a meeting of the Economic Development Cabinet Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Thursday, 23 January 2014.

PRESENT: Mr M A Wickham (Chairman), Mr S Holden (Vice-Chairman), Mr M A C Balfour, Mr R H Bird, Mr H Birkby (Substitute for Mr F McKenna), Miss S J Carey, Mr J A Kite, MBE, Mr R A Latchford, OBE, Mrs E D Rowbotham, Mr C Simkins, Mrs P A V Stockell (Substitute for Mr A H T Bowles) and Mr R Truelove

ALSO PRESENT: Mr M C Dance

IN ATTENDANCE: Ms B Cooper (Director of Economic Development) and Mrs A Hunter (Principal Democratic Services Officer)

UNRESTRICTED ITEMS

42. Declarations of Members' Interest relating to items on today's Agenda *(Item A3)*

There were no declarations of interest.

43. Minutes of the meeting held on 3 December 2013 *(Item A4)*

RESOLVED that the Minutes of the meeting held on 3 December 2013 were correctly recorded and that they be signed by the Chairman.

44. Verbal Update by Cabinet Member *(Item A5)*

1. The Cabinet Member for Economic Development, Mr Dance, started his verbal update by showing a DVD about Expansion East Kent. Following the DVD he invited Mr Kite to comment on TIGER, a similar investment fund operating in North Kent.
2. Mr Dance spoke about the International Maritime Organisation's Regulation 14 on sulphur emissions and invited Mr Holden to provide further details to the Committee.
3. Mr Holden said the European Directive of November 2012, which enabled Europe to comply with the regulations of the International Maritime Organisation, required shipping using the Channel, North Sea, and the Baltic Sea to use fuel of which the sulphur content did not exceed 0.1% from 1 January 2015. The effect of this directive was to require shipping to switch to marine diesel which was three times more expensive than the heavy fuel oil currently used, fit flue scrubbers which were expensive and used an unproven

technology or use liquefied gas which was technically difficult. In addition he reported the findings of an AMEC report commissioned by the Ship Owners' Association which suggested that freight hauliers might switch to using short sea routes and while this might benefit the Port of Dover there would be consequences for Kent roads and the pump price of diesel could increase by 2.8p per litre. Mr Holden said that the County Council had supported the Ship Owners' Association's submission to government seeking transitional arrangements and while the industry had welcomed KCC's interest felt able to manage without political support at this time.

4. Mr Dance responded to questions and comments about:
 - the risks to continued growth in East Kent including shortages of skilled workers;
 - the risk of businesses defaulting on loans;
 - the nature of the application process;
 - the cost of producing the DVD;
 - co-financing projects in conjunction with banks.
5. RESOLVED that the information given in the verbal update be noted.

45. PRESENTATIONS:- Kent Savers Credit Union and Linkages to Trading Standards Loan Sharks Project - Gail Devries, Chairman of the Board and Kent Loan Sharks Project

(Item A6)

(Report by Mr M Dance, Cabinet Member for Economic Development and Ms B Cooper, Director of Economic Development)

(Mr M Rolfe Trading Standards Manager (East) was also present for this item)

1. Ms Gail Devries (Chairman of Kent Savers) gave a presentation about Kent Savers which included information about: its establishment with initial funding and development in 2009; the challenges it faced including the voluntary nature of the board, the small paid office team and the need to further develop its profile in the community through partnerships; its growth and partnerships including with the Canterbury Diocese, employee savings schemes with KCC, the launch of Murston Community Bank; and the support that KCC had provided as well as practical suggestions about how this support could be sustained.
2. Mr Rolfe (Trading Standards Manager) gave a presentation about Trading Standards' work in general as well as information about a loan sharks project run in partnership with Birmingham City Council. This project had resulted in two prosecutions, one formal warning and a further eight cases which were continuing to be investigated in Kent. He also said the Loan Shark team employed a Financial Inclusion Officer whose role was to inform, educate and gain intelligence about possible loan sharking in Kent.
3. In response to questions, Ms Devries said that:
 - Kent Savers had become clearer about what could be done with the resources available and was focussing on supporting organisations that had the resources and willingness to work within the community such as the Church of England;

- Decisions on applications for loans could be turned around within 24 hours if all the necessary information was available but it usually took a couple of days and would never be as quick as payday loan companies;
- Credit unions could not accept investments of more than £15,000 and paid a dividend at the end of a year rather than an interest rate;
- Kent Savers decided to operate in Bexley following a request from a number of housing associations and that none of the seed funding from KCC had been used in this project;
- No further expansion would take place and the intention was to focus on Kent and Medway;
- Kent Savers did not actively engage with food banks but was willing to provide leaflets and other information on request.

4. RESOLVED:

- (a) That the report be noted;
- (b) That the presentations and the responses to comments and be noted.

46. New Leader Programme 2014-2020

(Item D2)

(Report by Mr M Dance, Cabinet Member for Economic Development and Ms B Cooper, Director of Economic Development)

(Mr H Jarvis, Programme Manager – Kent Downs and Marshes Leader was present for this item)

1. Mr Jarvis introduced the report which gave an overview of the activity that was planned for 2014 to develop a new Local Development Strategy for the Kent Downs and Marshes Leader area. It was planned that the new strategy would form the basis for a bid for Leader funding from the Rural Development Programme for England 2014-2020.
2. Mr Jarvis said that the KDML had been awarded £1,321,564 to fund projects and a further £330,387 for facilitation and administration between 2007 and 2013. During this period the programme had supported 54 projects with a total project value of £4,266,143 in land-based, small and micro enterprises and the community sector. The KDML had been awarded £30,000 transition funding from Defra to develop and submit a Local Development Strategy accompanied by a strong bid to draw down new funding in the Rural Development Programme for England - 2015-2020.
3. In response to questions, Mr Jarvis said that other funding received from the Local Enterprise Partnership could be administered within the structures established as part of the KDML programme.
4. RESOLVED that the report be noted.

47. Unlocking the Potential: Going for Growth: The Kent and Medway Growth Plan

(Item D1)

(Report by Mr M Dance, Cabinet Member for Regeneration and Economic Development and Ms B Cooper Director of Economic Development)

1. Ms Cooper introduced the report which included the draft Kent and Medway Growth Plan – Unlocking Potential: Going for Growth and explained the relationship with the South East Local Enterprise Partnership's Strategic Economic Plan and potential future government and European funding. The report also invited comments on the draft plan.
2. Ms Cooper said the report was consistent with previous discussions at the Economic Development Cabinet Committee, the Kent and Medway Economic Development Partnership, Kent Council Leaders and the Business Advisory Board and asked for any detailed comments to be submitted on the Kent Chapter by 31 January 2014.
3. Questions were raised and comments made about whether a potential change of government in May 2015 had been taken into account in drafting the plan, the importance of rural business to local economies, the importance of farming and agriculture for food security in the longer term, the desirability of not using land categorised as productive for solar panels; and the need for buy-in to the growth plan from borough and district councils.
4. There was general agreement that the report was well written and encapsulated the plans and aspirations for Kent's future development. It was suggested that the report be improved by adding case studies about real people and businesses at the beginning of the document.
5. RESOLVED:
 - (a) That the report be noted
 - (b) That Ross Gill (Economic Strategy and Policy Manager) be thanked for his work to produce a high quality draft plan.

48. Verbal Update by Director Economic Development

(Item D3)

There was no verbal update.

49. Unlocking the Potential: Low Carbon Kent

(Item D4)

(Mr M Dance, Cabinet Member for Economic Development and Ms B Cooper Director of Economic Development)

1. Ms Cooper introduced the report which provided an update on the current focus and initiatives in Kent relating to the low carbon environment technologies, goods and services sector which was a key theme in the emerging Kent and

Medway Growth Plan – Unlocking the Potential and a priority in the emerging EU Structural Funds 2014-2018.

2. A Member commented that nuclear power had not been mentioned in the report.
3. RESOLVED that the report be noted.