

KENT COUNTY COUNCIL

GROWTH ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE

MINUTES of a meeting of the Growth Economic Development and Communities Cabinet Committee held in the Stour Room, Sessions House, County Hall, Maidstone on Tuesday, 15 September 2015.

PRESENT: Mr M A Wickham (Chairman), Mr S Holden (Vice-Chairman), Mr M Baldock, Mr A H T Bowles, Mr D L Brazier, Miss S J Carey, Mr B E Clark, Mr G Lymer, Mr F McKenna, Mrs E D Rowbotham, Mr C Simkins and Mr R Truelove

ALSO PRESENT: Mr M C Dance, Mrs S V Hohler, Professor Tony Lavender, Mrs A Songhurst, Mrs C Lynch and Mr A Garrett

IN ATTENDANCE: Mrs B Cooper (Corporate Director of Growth, Environment and Transport), Mr R Gill (Economic Policy and Strategy Manager), Mrs T Bruton (Head of Regeneration Projects), Mr R Fitzgerald (Performance Manager), Mrs J Doherty (Business Transformation and Programme Manager), Mrs G Lindemann (Film Officer), Mr M Riley (Economic Development Officer (Expansion East Kent Programme)), Mrs K Stewart (Deputy Director of Economic Development), Ms A Agyepong (Equalities and Diversity Manager), Miss K Phillips (Strategic Business Adviser - GET) and Ms C A Singh (Democratic Services Officer)

UNRESTRICTED ITEMS

95. Apologies and Substitutes
(Item A2)

No apologies for absence were received.

96. Declarations of Interest by Members in items on the Agenda
(Item A3)

No declarations of interest were received.

97. Minutes of the meeting held on 7 July 2015
(Item A4)

RESOLVED that the Minutes of the meeting held on 7 July 2015 were correctly recorded and that they be signed by the Chairman.

98. Future Meeting Dates 2016/17
(Item A5)

RESOLVED that the meeting dates for 2016/17 be noted as follows:

2016
Tuesday, 12 January

2017
Thursday, 19 January

Thursday, 3 March

Wednesday, 22 March

Tuesday, 17 May

Tuesday, 19 July

Wednesday, 12 October

Tuesday, 13 December

99. Verbal Updates
(Item A6)

1. The Cabinet Member for Economic Development, Mr Dance, advised that the disused private airport, Manston, in east Kent, was to be used as an emergency lorry park to provide a short-term solution when Operation Stack was enforced to help reduce pressure on the M20.

Mr Dance explained that RiverOak Aviation Associates and Thanet District Council were still in negotiations regarding the buildings on the site that would be subject to planning and a decision was awaited from Thanet District Council on the issue of a Compulsory Purchase Order for the Manston Site.

2. Mr Dance advised that Kent Life Science Network, Biogateway, an initiative from Locate in Kent, would be a collective business network at the gateway to Europe, offering skills and expertise in the biotech sector.

3. Mr Dance explained that the financial effect of Operation Stack on Kent Businesses was not known for the County and Europe. He pointed out that there was now a short term solution in place at the Manston site, which he considered put the County in a better place.

4. Mr Dance and Mrs Cooper responded to questions by Members as follows:

- a) The clarification that the use of the Manston site was a short term solution should Operation Stack be enforced was welcomed. As it was considered that this option would create gridlock on the M2, that was already congested, which would affect the Swale Community. Mrs Cooper explained that long term options were being considered and the government was keen for this to be in place by next Easter. The Cabinet Committee noted that a report titled "Solutions to Operation Stack: Freight Fluidity for the UK's gateway to Europe" would be discussed at the Environment and Transport Cabinet Committee meeting on 16 September 2015.

5. Mr Hill advised that a report would be submitted to this Cabinet Committee on the Libraries, Registration and Archives Services moving from a Trust to a commissioned service in December 2015.

6. The Cabinet Committee noted that Mr Andrew Stephens had been appointed Head of Libraries, Registration and Archives and would be joining KCC on 26 October 2015.

7. Mr Hill advised that he met with Tracey Crouch MP Minister for Sport and the Olympics to discuss the annual review of the service went well. The Cabinet Committee noted that Mr Hill had the opportunity to discuss how the professional sports could contribute to grass roots and Sport in Kent which the Minister agreed to continue to support.

8. The Cabinet Committee noted that the Swanley Link had reopened and the Rugby World Cup Trophy Tour evening, held on 3 September at County Hall, Maidstone, went well.

9. RESOLVED that the responses to questions by Members and the information given in the verbal updates be noted, with thanks.

100. Presentation

(Item A7)

1. The Cabinet Committee received a presentation on Canterbury Christ Church University (CCCU) by Professor Tony Lavender (Pro Vice Chancellor, Research and Knowledge Exchange) accompanied by Audrey Songhurst (Director, Research and Enterprise Development Centre) on engaging with and serving its local communities, supporting economic growth and developing a strategic approach to supporting businesses across Kent. To achieve this, the University had developed a distinctive curriculum experience through embedding, for all students, a commitment to enhance graduate employability, education for social and environmental responsibility and internationalisation.

2. Mr Lavender and Mrs Songhurst responded to comments and questions by Members as follows:

- a) Professor Lavender advised that 60% of the Universities cohort were from Kent and 50% of graduates remained in Kent and Medway.
- b) Professor Lavender advised that there was no single profile for A levels for the available courses and there was no engineering offer at CCCU yet and therefore the A level grades had not been set.
- c) Professor Lavender considered that recruiting academics had been a problem in the past but now it was competitive and CCCU was the fourth highest income earner in the country. In the Sciences, CCCU was able to recruit and have not had less than 10 applicants per post.
- d) The Cabinet Committee noted that CCCU was actively looking to develop links with the Kent Science Park, through a new position for a Strategic Projects Development Manager who would be tasked with making those links.
- e) Professor Lavender clarified that 60% of students came from Kent and 40% were from outside Kent. CCCU was contributing to the workforce in Kent. Housing costs may be an issue but it was more about forging relationships and engagement with the wider community.
- f) Mrs Songhurst advised that CCCU worked closely with KCC in particular with Mr Ross Gill, Economic Strategy and Policy Manager, who helpful with signposting contacts. The Leader of KCC Chaired a meeting of the Strategic Committee that considered proposal by CCCU.
- g) Mrs Cooper agreed to submit a report on the study of the Social Impact of Turner Contemporary to a future Cabinet Committee meeting.

- h) Professor Lavender stated that CCCU did not fund or promote businesses involved in vivisection.
- i) Professor Lavender advised that the feasibility study that DTZ were producing was looking at what type of engineering CCCU needed to teach. Mrs Songhurst advised that the stakeholder list did include railway technology and railway engineering.

3. RESOLVED that:-

- (a) the comments and responses to questions by Members and the information given in the presentation be noted with thanks; and
- (b) a report on the findings of the CCCU study on the Turner Contemporary Social Impact Assessment be submitted to a future meeting of this Cabinet Committee.

101. The Old Rectory, Northfleet (contract for management of services)
(Item B1)

1. The Head of Regeneration Projects, Mrs Bruton, introduced a report that was seeking to re-procure specialist Management Services at The Old Rectory business centre, Northfleet.

2. Following a request, Mrs Bruton agreed to forward a picture of the property to Mr Baldock outside the meeting.

3. RESOLVED that:-

- (a) the request by a Member be actioned; and
- (b) the Cabinet Committee endorsed the decision to be taken by the Cabinet Member for Economic Development to give approval to Kent County Council to re-procure Management Services at The Old Rectory business centre.

102. Funding and Devolution to support Economic Growth: Opportunities for Kent
(Item C1)

1. The Economic Development Manager, Mr Gill, introduced a report that sets out the potential opportunities to secure additional investment and devolution to Kent to support economic growth. He highlighted that there had been no formal response received from the government on the proposal that the South East Local Enterprise Partnership (LEP) be replaced with a Kent and Medway LEP. Mr Gill advised that there were still things that could be done regarding boundary changes which included; forming better relationships with universities and colleges. This could be achieved by having representation on the LEP. He concluded by advising on the wider devolution agenda, 38 proposals had been submitted to government. Kent would make submissions when it had a strong proposal.

2. Mr Gill received comments and responded to questions by Members as follows:

- a) A comment was made that it was disappointing that Kent did not have a LEP.
- b) Mr Gill advised that there was a proposal for a skills commission to better articulate what skills bases there were in Kent and Medway.
- c) A comment that the new Ashford FE campus going ahead was welcomed.
- d) A Member comment on the difficulties in finding people with the skills to build new homes with modern technology and the answer lied with finding quality apprenticeships. Mrs Cooper advised that the outcome of recent research by KMEP looked at 12 sectors, one of which was construction. Businesses were consulted on what their needs were. Mrs Cooper agreed to share this information with the Cabinet Committee.

3. RESOLVED that:-

- (a) the responses to questions by Members be noted; and
- (b) the opportunities available to Kent from devolution and additional sources of funding be noted.

103. Kent Film Office
(Item C2)

1. The Kent Film Office, Mrs Lindemann, introduced a report that looked at the work of the Kent Film Office (KFO) and options to increase the economic benefits from the film and TV industries.

2. The Vice Chairman, Mr Holden, commented that the KFO was an area that could further be developed. Kent could offer film companies great scope in the locations it could offer.

3. Mrs Lindemann noted comments and respond to questions by Members as follows:

- a) Mrs Lindemann advised that the KFO was a Team of 1½ FT officers but were able to offer work experience placements and provide work to colleagues on courses. There were currently 563 Kent locations on the database and there were always thoughts on expanding that number. KFO had links with Locate in Kent that opened up offers of warehouse sites that might be available.
- b) The Cabinet Committee noted that there were 11 independent film offices in the UK. Kent's previous regional share was 1% and in 2014 that share had improved to 40%.
- c) Mrs Lindemann considered that KFO would be in a good position to maximise opportunities that the proposed Paramount Theme Park may bring.
- d) Mrs Lindemann noted the suggestion of Transport Museums in Kent as a potential location.
- e) Mrs Lindemann considered that Kent would be a good candidate for a film studio and options were being looked at.
- f) Mrs Lindemann advised that there had been quite a few music videos shot in Kent locations including Dungeness but music videos did not generate a much income as a Hollywood Block Buster.

- g) A Member suggested that the KFO could produce and distribute a standard offer package to listed historic buildings in Kent and ask them to send back their information if they were interested.
- h) Mrs Lindemann advised that the use of empty properties owned by KCC would be difficult as they were usually disposed of quite quickly.

4. RESOLVED that:-

- (a) the responses to questions and the suggestions made by Members be noted; and
- (b) the proposals to increase the benefits from the film and TV sector as set out in paragraph 2 the report be noted.

104. Kent Big Society Fund: Annual Report to Kent County Council
(Item C3)

1. The Cabinet Member, Mr Hill, introduced an impact report on the Fund performance over the lifetime of the Fund, as requested by the Cabinet Committee and the annual report for the Kent Big Society Fund for information. He advised that the final payment from KCC had been made to Kent Community Foundation and this completed KCC's financial commitment to the Fund. He stated that he was pleased with the work of the fund in helping to create a number of jobs and volunteering experiences. He explained that the loan repayments were recycled directly into the Fund with interest and there had been minimal defaults.

2. The Programme Manager (KCC), Mrs Doherty, Mr Garrett, Fund Manager and Mrs Lynch, Chief Executive, from Kent Community Foundation explained the role of the Fund. The Fund filled a nationally identified gap in the social finance market by offering loans at blow £150,000 and met a growing demand for affordable risk capital. Following on they responded to questions by Members as follows:

- a) Mr Garrett explained that the movement of Queensborough Harbour to a Trust meant sustainability and the ability to attract funds from funds like KBSF and that local council funds could be diverted to other appropriate services and opened up a far wider offer. Mrs Lynch advised that this was repayable finance and came back into the fund with interest and was not a grant.
- b) The Kent Woodland Employment Services had worked with the Conservation Trusts and were the only recipients of RGF money direct to a company in the county of £1m. They had been part of a stringent overview of the work that they had carried out. Mrs Lynch advised that this was repayable finance with interest and not a grant and was recyclable.
- c) Mrs Doherty advised that when the Investment Panel, which included KCC Members and Trustees of the Community Foundation, made decisions on investment from the fund there was a rigorous process of checking that the investment was going to be used wisely. It was key that we were not setting up small entrepreneurial businesses to fail by lending the funding to a business proposition that was not going to be sustainable. This was carried out by ensuring that the visionary directors were budgeting to pay themselves something and the business plan and spreadsheets made

good business sense. Where there was specialist expertise required those checks were made.

- d) Mr Clark requested that future reports included all companies to be listed that receive funding including the default section. Mr Garrett advised that there were two companies that had defaulted both by less than five percent of the funding loaned.
- e) Mr Garrett advised that governance and sustainability were key questions asked of businesses being considered for KBSF.

3. Mr Hill explained that the loans were repayable and the money was recycled. He hoped that others would be attracted to give funds.

4. RESOLVED that:-

(a) the responses to questions by Members be noted; and

(b) the annual report and the three year impact report provided by Kent Community Foundation be endorsed.

105. RGF Programmes and Framework for Monitoring Report *(Item C4)*

1. The Cabinet Member, Mr Dance, introduced a report on the three Regional Growth Funds; Escalate (West Kent and parts of East Sussex, Expansion East Kent (East Kent and Ashford) and Tiger (North Kent and Thurrock). He highlighted that the Local Authority had no role in running the companies that apply for funding from the three Funds but had a monitoring role.

2. The Cabinet Committee noted that the Red Risk Status did not indicate that the companies would become defaults but could refer to no return received or non-achievement of key milestones ie repayment, job outcomes or delay to planned objectives.

3. The Economic Development Officer, Mr Riley, and Mr Dance responded to questions by Members as follows:

a) In response to a request by a Member it was agreed that repeated failures would be included in the future monitoring reports.

b) Mr Riley explained that the application process for the Funds was a robust process. The process included a pre-application which identified and stopped those organisations that had no chance of successfully securing funding being identified.

c) There were comments that the three Funds were for those that could not receive funds from banks and considered that the figures presented in the report were good and that officers were performing well. It was suggested that there may be a better way of showing the Risk Status. Mr Riley agreed to look into separating the categories within the Risk Status.

d) Mr Clark raised concerns about changing the format of the report.

4. RESOLVED that the information set out in the report and given in response to questions by Members be noted.

106. Ashford District Deal
(Item C5)

1. The Director of Environment and Planning and Enforcement, Miss Stewart, introduced a report that sets out an overview of the proposed District Deal model for continuing improved working between the County and Districts, as well as the proposed Ashford District Deal as a pilot. The Ashford District Deal was appended to the covering report. The Deal identified two parts; (i) the “Big 8” - eight strategic projects; and (ii) a series of new ways of working – the approaches to how KCC worked with the District or Borough council on some of the most critical agendas from health and social care to delivering infrastructure. Miss Stewart explained the governance arrangement advising that there was a District Deal Board which met biannually, a Strategic Delivery Board that would oversee delivery of specific outcomes and an Officer Working Group that met regularly through a Strategic Coordination Group, which would enable more effective joint working.

2. Miss Stewart and Mrs Cooper received comments and responded to questions by Members as follows:

- a) Members welcomed the report. It was suggested that this work should form part of the Strategic Framework.
- b) A Member recalled that the Cabinet Committee had considered the infrastructure deficit and the necessary working for KCC and the District and Borough councils. Mrs Cooper advised that this work would enable the Local Authorities to identify priorities and gaps in funding and would be able to make bid jointly on schemes.
- c) Mrs Cooper advised that Chilmington Green had been through the full democratic process within Ashford and had outline planning permission for over a year. KCC worked closely with Ashford Borough Council through a Joint Steering Group at both officer and Director level. KCC worked on each development ensure that its requirements as a local authority were considered including ie Highways, Education, Adult Social Care Youth provision and Libraries etc. Mrs Cooper considered that Ashford Borough Council had one of the best planning departments; and the department had been working on a design code on what type of housing, which includes lifetime homes etc. Large development of 5000 home would never be popular with everybody. Ashford Borough Council at its first reading gave it outlined planning permission for all the work that had been carried out beforehand. There would be a Community Management Organisation available after the developers had gone.
- d) A comment was made that the process seemed to be mainly officer lead and it was difficult to see an opportunity for Local Members to scrutinise the plans or the process. Miss Stewart advised that Mr Dance was on the Strategic Delivery Board but took on board the need to review the membership jointly with Ashford Borough Council for the local Members input.
- e) Miss Stewart advised that all the District Deals were bespoke. This would be driven by the Districts on how the projects would be delivered in their area. This was not a KCC top down approach; it was about building trust with the Districts.

- f) A comment was made that local people needed to be trained with the right skills to benefit from job opportunities that arise through the strategic projects.
- g) Consideration should be given to the issue of water supply and food security with large housing developments across the county.
- h) A Member commented that the fact that each District Deal would be bespoke was welcomed.

3. Mr Baldock and Mr McKenna opposed the recommendations to the report and asked for this to be noted.

4. RESOLVED that:-

- (a) the comments and responses to questions by Members be noted;
- (b) the proposed pilot District Deal with Ashford Borough Council be noted; and
- (c) the Cabinet Committee endorsed that the Leader of the Council and relevant Cabinet Members sign the District Deal with Ashford Borough Council once finalised.

107. Work Programme 2015/16

(Item C6)

1. The Cabinet Committee was invited to make suggestions for additional items for consideration to future agendas. The following suggestions were made:

- Social Impact of Turner Contemporary
- Skills report on the Skills Commission
- Update on the work of the Kent Film Office

2. RESOLVED that the suggestions made in paragraph 1 above be added to the Work Programme for consideration at future agenda setting meetings; and the work programme for 2015/16 be agreed.

108. Performance Dashboard

(Item D1)

1. The Performance Manager, Mr Fitzgerald, introduced the report and highlighted this was the first report of the financial year and the data presented was up to the end of June. He advised the following:

- The Regional Growth Fund will create or safeguard 5600 jobs and 40% of these have already been delivered with the project one third of the way through the timescale. The current Kent unemployment figures were positive.
- Libraries, Registration and Archives - There was a rise in the number of E Books being issued per day. The number of ceremonies conducted by KCC Officers had risen. Online usage had declined.
- The Sports levered into Kent had brought in a good income generation and was on target.

2. Mr Fitzgerald and Mrs Cooper responded to questions by Members as follows:
 - a) A suggestion was made that KCC could approach schools regarding the use of on-line library resources.
 - b) Mr Fitzgerald clarified the information on page 103 of the report explaining that there were people who were not in employment who did not claim unemployment benefit. He offered to provide a fuller explanation and breakdown in writing of the labour market statistics.
 - c) Mrs Cooper advised that the work of the District and Borough Councils "No Use Empty Scheme" had been very successful. The Cabinet Committee agreed to a presentation at a future meeting. Mr Dance concluded that this scheme offered support where banks would not lend money on empty homes.
3. RESOLVED that:-
 - (a) the responses to questions by Members be noted;
 - (b) a presentation on the "No Use Empty" Scheme be arranged for a future meeting; and
 - (c) the information in the report be noted.

109. Annual Equality and Diversity Report
(Item D2)

1. The Cabinet Committee considered a report that sets out a position statement for services within the Growth, Environment and Transport (GET) Directorate regarding equality and diversity work and progress on KCC Equality objectives for 2014/15.
2. Miss Phillips highlighted key points as follows:
 - Examples of projects with positive impact such as the sports project that won a national award for encouraging more female coaches in Kent sports , and the Broadband Team's participation in the BDUK project focusing on women returning to work or becoming self-employed.
 - GET used feedback from engaging with residents through surveys, consultations and complaints to shape or improve its services.
 - Looking forward, the Growth Environment and Transport (GET) Equality Group will meet every six weeks to review and share good practice on integrating Equality & Diversity into GET services' projects and business as usual activity.
 - GET will work to embed Equality & Diversity into every stage of the commissioning cycle.
3. RESOLVED that:-
 - (a) the current performance noted; and
 - (b) future reports be received annually in order to comply with the Public Sector Equality Duty be agreed.

