

## KENT COUNTY COUNCIL

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### **GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE**

MINUTES of a meeting of the Growth, Economic Development and Communities Cabinet Committee held in the Council Chamber - Sessions House on Thursday, 10 January 2019.

PRESENT: Mr A M Ridgers (Chairman), Mr S Holden (Vice-Chairman), Mrs P M Beresford, Mrs R Binks, Mr A Booth, Mr A H T Bowles, Mr I S Chittenden, Mr R J Thomas (Substitute for Mr A Cook), Mr D Farrell, Mr R H Bird (Substitute for Mr A J Hook), Mr M D Payne (Substitute for Mr J A Kite, MBE), Mr G Lymer, Mr D L Brazier (Substitute for Mr P J Messenger), Mr S C Manion and Mr J Wright

ALSO PRESENT: Mr M C Dance and Mr P M Hill, OBE

IN ATTENDANCE: Mr D Smith (Director of Economic Development), Ms S Holt-Castle (Interim Director of Environment, Planning and Enforcement) and Miss G Little (Democratic Services Officer)

#### **UNRESTRICTED ITEMS**

##### **118. Apologies and Substitutes**

*(Item 2)*

Apologies were received from Mr A Hook (substituted by Mr R Bird), Mr P Messenger (substituted by Mr D Brazier), Mr A Cook (substituted by Mr R Thomas), Mr P Homewood and Mr J Kite.

##### **119. Declarations of Interest by Members in items on the Agenda**

*(Item 3)*

There were no declarations of interest received.

##### **120. Minutes of the meeting held on 15 November 2018**

*(Item 4)*

1. Mr D Smith (Director of Economic Development) said that advice had been sought from the General Counsel following the resolution made in relation to minute 114.3.b regarding the governance and membership of the Kent and Medway Enterprise and Productivity Strategy working group. The advice received from the General Counsel verified that governance arrangements involving Members and officers would be determined by the Leader and did not require political balance.
2. RESOLVED that the minutes of the last meeting on 28 November 2018 are a correct record and that they be signed by the Chairman.

## **121. Verbal updates by Cabinet Members and Corporate Director**

*(Item 5)*

1. Mr M Hill, OBE (Cabinet Member for Community and Regulatory Services) announced that the John Downtown Awards evening took place on 15<sup>th</sup> November 2018, where the winning pieces of work were selected for exhibition at the Turner Contemporary Art Gallery. The event showcased the high quality of work produced by young artists in Kent and received a total of 220 entries from 27 schools,
2. Bockhanger library was re-opened following its successful relocation at the Sure Steps Children's Centre; and
3. Faversham library which had undergone a refurbishment was re-opened to the public and offered the Good Day Programme, 'Better Days' which aimed to improve the days of those with learning disabilities. Mr Hill commended the significant enhancement to the library and Kent's positive steps towards change.
4. Mr M Dance (Cabinet Member for Economic Development) said that he attended the Greater South East Offshore Wind Energy B2B event in Ashford where delegates heard from a number of leading developers and key supply chain companies on their requirements and innovations in a bid to get Kent businesses involved in the offshore industry. Mr Dance commended the way in which Kent County Council responded to the industry and its positive attitude towards green energy and job generation for local businesses.
5. Mr Dance provided an update on the three Kent partner organisations: Visit Kent, Locate in Kent and Produced in Kent and the significant amount of work that was required to mitigate the risk to investment and tourism in the county.
  - (a) In response to Members queries regarding the safety of library staff following recent incidents, Mr Hill assured Members that the safety of staff was of paramount concern for Kent County Council and said that the Head of Libraries, Registrations and Archives had taken significant actions to mitigate risk and would continue to review the safety of library staff.
6. RESOLVED that the verbal updates be noted, with thanks.

## **122. Visit Kent Report & Presentation**

*(Item 6)*

*Deirdre Wells, OBE (Chief Executive, Visit Kent) and David Statham (Managing Director of Southeastern & Visit Kent Board Member) were in attendance for this item.*

1. Mr D Hughes (Head of Business and Enterprise) introduced the report that set out the contract arrangements between Kent County Council and Visit Kent which were due to expire in March 2020. The presentation before the Committee included the results of the recently published independent research commissioned by Visit Kent and the innovative solutions to grow the visitor economy.
2. Ms D Wells presented a series of slides that exhibited the collaborative work that had taken place across Kent and the positive impact of this on Kent's and Medway's visitor economy and employment sector. Ms Wells drew Members attention to the results of the Cambridge Economic Model published in January 2019 which highlighted Kent's achievement of reaching 65 million visitors, £3.8 billion in visitor expenditure, the creation of 77 thousand jobs; and identified the future challenges inherent to Kent during a time of unprecedented change and the importance of finding innovative solutions to raise the county's profile as a key tourism destination.
3. Mr D Statham (Managing Director of Southeastern & Visit Kent Board Member) addressed the Committee from the perspective of a private sector investor and thanked Kent County Council for its on-going commitment to help fund Visit Kent. Work had also been undertaken to identify opportunities within the niche organisations and businesses to drive high value visits to events such as the Open Golf Tournament in Sandwich and the Turner Prize event in Margate. Mr Statham advised the Committee that other tourism sectors outside of the county viewed Visit Kent as one of the leading destination management organisations and sought to adopt the Kent model within their own tourism sectors. Expertise within Visit Kent had also been deployed elsewhere in the UK to leverage further funding and to help link tourism authorities across England, all of which were key to driving the local economy in Kent.
4. Ms Wells and Mr Statham responded to comments and questions from Members, including the following:-
  - (a) In response to concerns regarding the visitor data set and supporting infrastructure to accommodate visitor growth, Ms Wells confirmed that out of the 65 million visitors, 1 million of those were from overseas. Visit Kent had identified opportunities to increase overseas visitors through the Discover England Fund from the Government which was supporting a number of Visit Kent projects, including the improvement of travel trade links to ensure Visit Kent was engaging with and identifying the

needs of overseas visitors to increase overnight accommodation within Kent. The visitor data was generated using the Cambridge Research model and was scrutinised against Visit Kent's own Business Barometer to ensure accuracy. The two-year period helped Visit Kent to identify and analyse trends over a wider data set. Ms Wells also confirmed that thematic links were crucial in order to link attractions across Kent and said that the new Visitor First Strategy was reviewing those links and working with partners to ensure cross-market advertisement as this would help to increase overnight stays.

- (b) Members raised concerns regarding the standard of hotel accommodation in Kent and the shortage of medium sized conference venues. Ms Wells agreed that accommodation encompassed a number of qualitative aspects including the type of room, where the hotel was situated, the facilities of that hotel such as conference rooms and the quality of service, all of which contributed to increased opportunities for overnight stays. As part of the strategy, Visit Kent approached a group of private sector partners across the county to review the current accommodation and identify the key areas for future developments that would help to create jobs, drive tourism and increase local economy.
- (c) With regard to Brexit, Ms Wells said that Visit Kent needed to increase its digital platform to counteract the negative media coverage that may deter people visiting Kent. Visit Kent aimed to ensure the correct digital infrastructure was in place to support visitors with live data from across Kent (including the ports).
- (d) In response to concerns regarding business rates within the rural community, Ms Wells informed the Committee that she was appointed as Chair of the Tourism Alliance Body which aided the lobbying of Government on key strategic issues that faced domestic, inbound and outbound tourism industries and a key recurring concern in that role was the business rates for the self-catering sector. She assured the Committee that a significant degree of work was being carried out with the Ministry of Housing, Communities and Local Government (MHCLG) to identify a solution to the burden of business rates as Kent should be encouraging investment and expansion, not constraining it.
- (e) Members raised concern with the content available on the Visit Kent site to which Ms Wells assured the Committee that Visit Kent were working to ensure Social Content Optimisation across all media platforms and was working in conjunction with partners across Kent to improve this. With regard to maps, Visit Kent identified that visitors had a tendency to find attractions when on-the-go and therefore were reviewing digital systems that could help visitors pin-point near-by attractions through digital mapping.

(f) In response to concerns regarding staffing within the tourism industry as a result of Brexit, Ms Wells said that this was a national concern, however, a significant amount of work is being done with Canterbury Christ Church University and private sector partners to develop a degree level apprenticeship to promote careers within tourism hospitality. Ms Wells returned to the point about good quality hotels and said that staffing was crucial to a successful business and more needed to be done to invest in and retain staff.

(g) Members raised concerns regarding the increased pressure on caravan holiday parks as a result of increased housing pressure, Ms Wells informed the Committee that specific research to this effect had not been carried out, although, this issue had been replicated across many coastal towns. Ms Wells agreed to take the query back to Visit Kent as the holiday park sector is an important part of the accommodation provision.

5. RESOLVED that the information set out in the presentation and given in response to comments and questions be noted.

**123. Preparations by HM Government and the European Commission for a No-Deal Brexit**  
(Item 7)

*David Smith (Director of Economic Development) was in attendance for this item.*

1. Mr D Smith introduced the report which set out the current preparations made by Government and the European Commission for a No-Deal Brexit. This report complimented the earlier paper presented at County Council on 13 December 2018 which set out the work undertaken by Kent to prepare for a possible No-Deal Brexit. Kent County Council had deployed its intelligence service to Brussels to ascertain the preparations made by Kent's continental partners and to clearly communicate to Europe Kent's desired endeavour to facilitate the movement of people, business, trade and investment as previously demonstrated by Visit Kent.

2. Mr Smith responded to comments and questions from Members, including the following: -

(a) In response to concerns regarding aviation from the UK to the EU, Mr Smith said that transit flights should not be affected, however, International Airlines Group (IAG) which was the multi-national holding company of airlines such as Iberia and British Airways, had not received the clarification they sought which assured the company it could continue to

fly after 29 March 2020. Mr Smith agreed to carry out further research and provide a direct response to the Member.

3. RESOLVED that the report be noted.

#### **124. Removal of the Housing Revenue Account Debt Cap**

*(Item 8)*

*David Smith (Director of Economic Development) and Johanna Howarth (Deputy Director of Economic Development) were in attendance for this item.*

1. Mr D Smith introduced the report which set out the details of the Housing Revenue Account (HRA) borrowing cap which summarised views of the sector and how local authorities in Kent had responded to the significant change. Mr Smith reminded the Committee that Kent County Council was not a local authority with housing or council housing ownership affected by these Government decisions and advised Members that the paper was for information purposes only.
2. Mrs J Howarth provided a brief summary of changes that had been made to the Housing Revenue Account borrowing cap and said that Kent Housing Group were working with the local district councils to determine how the additional borrowing cap would best facilitate further housing investment within their areas.
1. Mrs Howarth responded to comments and questions from Members, including the following: -
  - (a) Mrs Howarth said that councils who had not retained council housing stock would not be able to access funding from the Housing Revenue Account.
  - (b) The authorities that had retained housing stock were: Ashford, Canterbury, Dartford, Dover, Gravesham, Medway, Folkestone and Hythe, and Thanet.
2. RESOLVED that the report be noted.

#### **125. Capital Programme 2019-22, Revenue Budget 2019-20 and Medium-Term Financial Plan 2019-22**

*(Item 9)*

*Mr K Tilson (Finance Business Partner for the GET directorate) was in attendance for this item.*

1. Mr Tilson introduced the report that was designed to accompany the Draft Budget Book 2019-22 published on 2 January 2019 and referred to the revenue savings and additional spend demands that were of particular interest to the Committee, as well as the new schemes being proposed for inclusion into the capital programme for 2019/20.
2. Mr M Hill (Cabinet Member for Community and Regulatory Services) responded to comments and questions from Members, including the following: -
  - (a) Kent County Council were legally responsible for funding the Coroner's service, however, had no control over how the service was managed. Kent County Council was in discussion with the Chief Coroner over concerns of the pricing and cost of the service and were also lobbying to Government's Minister of Justice in an attempt to address the issues. Mr Hill acknowledged Members concerns and advised that it was a national issue that needed to be addressed.
3. RESOLVED that the draft capital and revenue budgets and Medium-Term Financial Plan (MTFP), including responses to consultation and government provisional settlement, be noted.

**126. Members' Recent Visit to Gravesham District**  
(Item 10)

*David Smith (Director of Economic Development) was in attendance for this item.*

1. Mr Smith introduced the report which summarised the outcome of the recent visit by Members to Gravesham District and outlined the programme of future visits to other Kent districts in 2019. Mr Smith expressed his gratitude to the Leader of Gravesham Council (Mr Ridgers) and thanked the officers who assisted with the site visit for their accommodation throughout the day.
2. Mr Ridgers (Chairman) thanked Mr Hancock (Programme Manager) for his work and advised Members that the next visit would be to Ashford on 26 February 2019. Mr Ridgers asked Members, by show of hands, to confirm their interest in attending the next visit and said that this would also be extended to Members of the Environment and Transport Cabinet Committee. Supplementary to this, Mr Smith informed the Committee that the Leader of Ashford Borough Council would be participating at the next sit visit and if Members required specific questions to be answered on the day, that these be sent to Mr Hancock in advance of the visit.
3. RESOLVED that the report be endorsed.

## **127. Work Programme 2019/20**

*(Item 11)*

RESOLVED that the work programme be noted.

## **128. Urgent Item - Verbal update on the Kent Skills Agenda**

*(Item 12)*

*Paul Winter (Chief Executive Officer, Wire Belt Ltd, Chair Kent and Medway Skills Commission) was in attendance for this item.*

1. Mr Smith (Director of Economic Development) welcomed Mr Winter to the Committee who provided an update to Members on the skills and employability services available within Kent.
2. Mr Winter said that a majority of the Guilds were set up in 2016 to facilitate employer and education engagement as part of the 14-24 Learning Employment & Skills strategy and these were heavily influenced by public sector contribution, in particular, Kent County Council. Mr Winter provided a brief overview of the following sectors:

**Hospitality and Tourism:** - The sector had achieved recognition of its success through increased employer engagement with schools and training providers whom provided fairs and pre-work experience for students. A significant factor which contributed to the sectors success was parental involvement and influence, an area that was highlighted by Visit Kent who aimed to explore this aspect further in their efforts to expand. The Hospitality and Tourism Guild also offered the Charter Mark award as it did within other sectors such as the Construction Guild and the Creative and Media Guild, however it did not offer a degree apprenticeship and therefore work had commenced to develop this.

**Health Care Guild:** - The sector specifically targeted level 2 and level 3 entries and promoted the Guild through creative media that appealed to the younger generations.

**Financial and Professional Services Guild:** - The sector was chaired by Iain Hawthorne (Global Relationship Director for HSBC) and had successfully promoted degree apprenticeships within management and accounting.

**Manufacturing and Engineering Guild:** - The sector relied heavily on communication via newsletters to promote opportunities to schools and this would be sent out on a regular basis.

**Science Guild:** - This sector faced a number of challenges around its sustainability due to its cross-cutting nature as science-based companies felt it



set within the manufacturing Guild. In response to the concerns, the Commission agreed to review whether the Science Guild crossed into other sectors such as manufacturing, digital and management and determine the future of the Guild.

**Land base Guild:** - This sector also faced a number of challenges around its sustainability, however, efforts would continue to be made in re-launching the Guild.

With regard to the Guilds current position, Mr Winter said that The Education People was in operation, however, performance levels were considerably low due to the impact of organisational change and loss of staff. The joint commitment from Kent County Council and West Kent Partnership however supported the expansion of the Careers & Enterprise Company (CEC) into all Secondary schools within Kent which would provide the Commission with an opportunity to review the Guilds and identify better ways of working. Mr Winter said that once the Guilds had been redesigned to support students of all ages, the key challenge would be addressing the re-skilling and up-skilling agendas within the sectors.

1. Mr Winter responded to comments and questions from Members, including the following: -
  - (a) In response to levy contributions, the Guilds Commission along with Kent County Council were reviewing how the funds could be credited to digital accounts and how this could be directly accessed by employers to improve the apprenticeship standards.
  - (b) Many Secondary Schools remained opposed to the reintroduction of term-time work experience, however, supported students should they wish to organise work experience during the holiday period.
  - (c) In terms of whether the Guilds would regain popularity within schools, Mr Winter said that the Commission was reviewing the impact of raising the participation age to 18 as not all students wished to go onto higher education at university. Schools had started to cooperate with the Guilds and explore the possibility of vocational training. Mr Winter highlighted the importance of recruiting additional advisers within the Careers & Enterprise Company (CEC) to further promote vocational training and remove the stereotypical barriers.
  - (d) Mr Winter confirmed that schools did not have to use CEC, however, schools were being monitored in terms of what they were doing to address the employment and skills gap. The Guilds Commission met three times a year and had a number of representatives from CEC, schools, universities

and those from the Federation of Small Businesses (FSB) to discuss the possibility of apprenticeship degrees and remove the stigma of needing a university degree.

(e) Mr Winter said that 9% of the students who opted for the engineering Guild were female and highlighted to Members the importance of encouraging more females to take roles within the science, engineering and manufacturing field.

2. RESOLVED that the information presented be noted.