

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 Darent Room, Sessions House, County Hall, Maidstone on Tuesday, 13 December 2016.

PRESENT: Mr S Holden (Vice-Chairman in the Chair), Mr M Baldock, Mr D L Brazier, Mr B E Clark, Mr J A Kite, MBE, Mr G Lymer, Mr S C Manion (Substitute for Mr M A Wickham), Mr F McKenna, Mrs E D Rowbotham, Mr C Simkins and Vacancy

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

IN ATTENDANCE: Mrs B Cooper (Corporate Director of Growth, Environment and Transport) and Mrs L Whitaker (Democratic Services Manager (Executive))

UNRESTRICTED ITEMS

188. Apologies and Substitutes

(Item A2)

Apologies for absence were received from Mr Wickham. Mr Manion attended as his substitute.

189. Declarations of Interest by Members in items on the Agenda

(Item A3)

For information, Mr Dance declared an interest in items A6 and A7 as he was a Board Member of Visit Kent, and Ebbsfleet Development Corporation.

190. Minutes of the meeting held on 12 October 2016

(Item A4)

RESOLVED that the minutes of the meeting held on 12 October 2016 are correctly recorded and that they be signed by the Chairman.

191. Verbal updates by Cabinet Members and Corporate Director

(Item A5)

1. Mr Hill (Cabinet Member for Community Services) advised that he, along with the Director of Highways, Waste and Transportation, and the Arts and Culture Manager had attended the LGA Seminar on Cultural Commissioning on 9 November and 7 December to speak about the potential to create additional funding for arts projects using large KCC contracts. It had been well received. Mr Hill stated that once there was more progress, he would submit a paper to the committee for consideration.

2. Mr Hill then stated that planning permission for the Southborough Hub had been received on 9 November. The project was set to proceed next year, with demolition commencing at the beginning of the year, and construction following later the same year.
 3. Mr Hill added that on 14 November, the soft opening of Dartford Library had been held. The formal opening would be held in January. This would bring together the Dartford museum and KCC library, and he was pleased that the project had been successful.
 4. Mr Dance stated that there had been considerable interest in the council's "No Use Empty" scheme, including an article which had featured in the Kent on Sunday. The scheme had brought nearly 4,000 homes back into use from being empty.
 5. Mr Dance then responded to questions from the Committee Members. He said that in terms of a transitional plan towards Brexit, he was aware of the business climate in Kent and would continue to monitor the situation. It was important to keep options open and get the right advice to those who needed it as things progressed. He reported that the Business Advisory Board had recently considered a report of Canterbury Christchurch University on the matter and it was agreed that this report be put to a future meeting of the Committee for further input.
 7. The Director of Growth, Environment and Transport gave an update on the Kent Sporting Legends Event. She stated that the event was held at the University of Kent (UKC) every two years to celebrate legends of the past present and future. Around 300 people from across Kent had attended, including:
 - Georgina Harland, Modern Pentathlon, who now worked for the British Olympic Association
 - Wayne Otto, Karate Champion.
 - Will Bailey, Paralympic table tennis.
 - Susannah Townsend, women's hockey.
 - Olly Manion from Faversham, member of wheelchair rugby team, who was waiting to hear if he would make the England squad.
 - Bobbie Clay – 1500m runner from Wingham.
- She added that the support such athletes got from local programmes, and from UKC, was apparent including the use of university sports facilities. The event was celebrating home-grown talent, and it was an uplifting evening.
8. RESOLVED that
 - (a) the report by Christchurch University, discussed at 5 above, be brought to a future meeting of the Cabinet Committee for further comment.
 - (b) the verbal updates be noted.

192. Presentation - Visit Kent

(Item A6)

(At the commencement of the meeting, a Member raised concern about the online availability of the presentation. It was confirmed that the presentation would be made available on-line).

1. Mr J Neame, and Ms S Matthews-Marsh of Visit Kent attended the meeting to give a presentation about the visitor economy and tourist accommodation.

2. Mr Neame and Ms Matthews-Marsh then responded to the questions of the Cabinet Committee Members and made points including the following:

- There had been a increase in tourism in the UK in 2009, due to the staycation phenomena. Attractions such as Leeds Castle had also experienced a surge. Importantly, tourist attraction figures had continued at these levels.
- Data was compiled using the Cambridge model, which was used nationally. A key trend identified was visits to friends and relatives; visitors tended to spend in the local economy and often utilised overnight accommodation. In the last decade residents had become more knowledgeable about the places that they lived and were well equipped to guide friends and relatives around county.
- Visit Kent's Partner organisation in Calais had identified driving on a different side of road as a barrier for French tourists wanting to visit the UK. Visit Kent were working to establish a way to encourage more traffic from northern France. In addition, since the Paris terrorist attacks, the French government had withdrawn insurance for French school visits. This had only just been reinstated, and so there had been a significant drop in the last year.
- There was an opportunity that the exchange rate meant it was presently cheaper for visitors to come from France. Cross Channel partners, such as P&O (part of Visit Kent Partnership) were looking to work together in the next year to increase inbound traffic.
- In terms of addressing the language barrier, the Hospitality Guild, which had been created two years ago, included a strand called Welcome Host, which had basic language components.
- Hospitality had not previously attracted many apprentices, with only a couple of hundred in the last couple of years, but the Hospitality Guild had an ambition to increase this number. The Apprenticeship Levy was a great opportunity to engage the sector.
- This data series shown in the presentation only went up to 2015 and as Air BNB was a recent phenomenon it was outside of the figures received. There were benefits for the County from the sharing economy, such as Air BNB, and it could be a substantial opportunity to increase capacity and economy. However, legislation was not keeping up with its growth. If legal rulings from Berlin where to follow into the UK, it could become illegal.
- Visit Kent as an organisation received core funding from KCC and other local authority partners and private investors. If a specific attraction was referenced in a campaign, they would pay a supplementary amount to invest in that. Match funding on top of this offered leverage. The Visit Kent Board continually reviewed its structure to see if a different business model would be viable.
- In previous years, Kent was overly dominated by Canterbury, Leeds Castle and Rochester as visitor destinations, but there had since been improvements

in the quality of other attractions, and also new attractions had changed this situation.

- The Vision to gain 5,000 new jobs and 5 million new visitors was a county-wide ambition. 'Honey pots' such as Canterbury Cathedral, played a part in attracting and dispersing visitors, encouraging people to explore outside the area they were visiting.

3. RESOLVED that the presentation be noted.

193. Presentation - Ebbsfleet Development Company

(Item A7)

1. Mr Spooner and Mr Harrison of the Ebbsfleet Development Company attended the meeting to give a presentation about the Implementation Framework, for which KCC endorsement was sought.

2. Mr Spooner and Mr Harrison then responded to comments and questions raised by Committee Members and made points including the following:

- Broadband and connectivity were a priority. Monthly utility group meetings were held, but the Ebbsfleet Development Company were still seeking the correct representation from BT Open Reach, as present representatives were not decision makers. They were keen to engage more effectively on ultra-fast broadband, and proposed to work with BT Open Reach at high level, but if this was not an option, they would look at other providers.
- In terms of quality relating to existing consents, there were many landowners who were looking to renew or vary those consents and the EDC were engaged with landowners in new designs, promoting high quality places and buildings and respecting the environment. The Implementation Framework document itself provided a high level of detail on design guidance, and the framework was a key document for promoting quality. They were also looking at introducing a design management system to promote quality through everything delivered, supported or influenced by the Development Company.
- River transport was likely to grow, not just for commuters but also for leisure purposes. Meetings had been with the Thames Clippers company, and were keen to encourage the service to Kent. There was an opportunity to incorporate stops for Thames Clipper where developments took place at river fronts.
- There were 50km of cycle ways and green corridors in the scheme, and more to come.

3. RESOLVED that the Cabinet Committee note the presentation.

194. Meetings of the Growth Economic Development and Communities Cabinet Committee

(Item A8)

RESOLVED that the dates for meetings be noted.

195. 16/00107 Recycled Regional Growth Fund - The Kent and Medway Business Fund

(Item B1)

(Mr D Smith, Director of Economic Development, and Ms J Ward, Strategic Programme Manager (Business Investment), attended the meeting to present the report).

1. Mr Smith introduced the report which set out the programme for reinvesting the repayments of loans to businesses that were previously made by Kent County Council from the government's Regional Growth fund.
2. Mr Smith then responded to questions from Committee Members, and made points including the following:
 - The improvements being made in the administration of the three schemes had been recorded in a 'lessons learned log', which had led to a more detailed appraisal process for applications. There was still a reliance on professional advice secured on each application, which was then submitted to an independent investment advisory board, drawn from people already involved in the project, ensuring no loss of experience. Following approval of a loan, the monitoring process had been improved by introducing more formal logging of documentation, to allow recording of every decision and monitoring of companies who failed to send monitoring returns on time, or failed to meet conditions imposed around job numbers or finance.
 - The report summarised a rather lengthy report which was commissioned to find unmet demand. The full report would be made available to the Cabinet Committee Members, as it provided more information around totals. There was a very large unmet demand by small firms for finance which they could not get through commercial sources. KCC was limited in the amount made available from the legacy of the Regional Growth Fund, so it was appreciated that the decision would lead to a lot of companies unable to get money.
3. Ms J Ward then responded to questions raised by Committee Members and made the following points:
 - All new programmes specified that security would be taken and applicants were asked to declare the kind of security they would offer at the application stage.
 - If land or property was purchased with any allocation received from the fund the loan agreement would specify security required on those purchases.
4. RESOLVED that the Cabinet Committee endorse the proposed decision of the Cabinet Member to:
 - (a) Delegate to the Director of Economic Development the authority to launch a new scheme on behalf of KCC to invest recycled RGF loan repayments to eligible organisations in the Kent and Medway area; and
 - (b) Implement the governance arrangements for the Kent and Medway Business Fund as detailed in the report.

196. Work Programme 2017

(Item C1)

RESOLVED that the work programme be agreed.

197. Performance Dashboard

(Item D1)

(Mr Fitzgerald, Business Intelligence Manager – Performance, attended the meeting for this report).

1. Mr Fitzgerald introduced the report which set out progress made against targets for Key Performance Indicators.
2. RESOLVED that the performance report be noted.

198. North Kent Enterprise Zone

(Item D2)

Mr D Hughes, Head of Business and Enterprise, was in attendance for this item. Richard Longman from Thames Gateway Kent Partnership was also in attendance.

1. Mr Hughes introduced the report which described the sites included in the North Kent Enterprise Zone, and provided an update on progress prior to its commencement on 1 April 2017.
2. Mr Hughes and Mr Longman then responded to comments and questions by Committee Members and made points including the following:
 - The Kent Innovation Corridor brought together three sites with potential to bring high value jobs, as well as existing developments within the north Kent, Lydden and East Kent areas. These included the Innovation Centre at Medway, the Business Terrace at Maidstone, the Kent Sites Park at Sittingbourne, the Canterbury Innovation Zone and Discovery Park at Sandwich. These were sites with prime opportunities for jobs and floor space and would be used as a marketing opportunity for potential investors.
 - The Kent Innovation Corridor was in many ways a branding concept to promote investment. In future iterations it was hoped to show the corridor's relationship to London and beyond to the London Stanstead Cambridge corridor as a continuation of work making use of HS1, connecting Ebbsfleet Enterprise Zone as an area of opportunity to relate to businesses looking for space, as well as the relationship with particular sectors such as the Medtech sector. Although the North Kent Enterprise Zone was, obviously, positioned in North Kent, it would be attractive to different audiences and markets depending on how it was packaged.
 - One of the challenges with any Enterprise Zone was how to tackle displacement from other more established business areas in the county. If the objective of companies that moved was growth, then this would not be a bad thing, and it would release other sites and premises

which can be backfilled by other more appropriately sized businesses. While inward investment was the primary aim movement within the county that was for the purpose of growth was also welcome.

- The saving of business rates was for a maximum of 5 years. The support available at the site and clustering with other like-minded or similar sectorised businesses, brought advantages not found elsewhere and it was hoped businesses would be incentivised to stay beyond the five year business rates discount period.

3. The Director of Growth, Environment and Transport then responded to a further question by a Committee Member, and said that KCC supported to Maidstone Borough Council in wanting to exploit opportunities at the Kent Medical Campus. She said this did not negate the need for further infrastructure improvements on the M20 from Junction 7 to Junction 5, which KCC would continue to press Highways England to do. This was part of the Local Transport Plan 4, which would come to the Cabinet Committee Meeting in March.

4. The Chairman thanked Mr Longman for his attendance at the meeting.

5. RESOLVED that the report be noted.

199. Regional Growth Fund Programmes and Framework for Monitoring Report (Item D3)

(Ms J Ward, Strategic Programme Manager (Business Investment), was in attendance for this item).

1. Ms Ward presented the report which provided an update on the allocation of funds to companies in the format previously agreed by the Committee. She stated that it appeared that the number of companies was less than previously reported, but this was because the figure only included the number of companies, whereas previous figures had referred to the number of loans or grants, which in some cases was more than one per company.

2. Ms Ward then responded to questions of Committee Members and made points including the following:

- That although the report was set out slightly differently the actual bad debt status was still contained within it, but separated out for clarity. Changes to the 'red rates' may not therefore be clear and Ms Ward agreed to clarify for Mr Clark outside of the meeting.
- That numbers of jobs safeguarded may change as the safeguarded individual(s) may leave the company, and therefore a new job is created and shown in the figures as job creation.
- With regards to changes in the number of jobs created Ms Ward did not have the information to hand and agreed to check the figures and confirm for Mr Clark outside of the meeting.
- A view was expressed that the reports were more accessible before requests from other members that had increased the level of data included within them.
- Individual companies were not named in the report, as agreed previously by the committee, but each company awarded funding from the RGF was listed on the website and divisional information could be drawn out if desired.

3. RESOLVED that the report be noted.

200. Libraries Registration and Archives progress on delivery of the service specification

(Item D4)

(Mr J Pearson, Interim Head of Service – Libraries, Registration and Archives, attended the meeting for this item).

1. The Cabinet Member for Community Services introduced the report which outlined the progress that Libraries, Registration and Archives (LRA) have made against its outcome based specification.
2. Mr Pearson then drew attention to Appendix 1 of the report, and gave a snapshot of current performance against key performance indicators, and customer satisfaction rates.
3. Mr Pearson then responded to questions and comments by Members, and made points including the following:
 - Staff training was being adapted to encourage a customer focussed service and adaptability. Local managers were key in ensuring this. There was a service manager who covered several areas, and a local Manager.
 - One of the strengths of the service was the options for accessing it. This could be online, or at a building. Books remained a key component of the service, and library was important in assisting with equality issues. The service was continuing to look at ways of integrating with other community hubs, and nationally this was what the Library Delivers document suggested.
4. Mr Hill also responded to a question by a Committee Member and stated that KCC had to look carefully at how best to make use of the 99 buildings across Kent. Putting other services inside the library buildings was a way to protect the service, continuing to provide a good service and make good use of the buildings.
5. RESOLVED that the progress made be noted.