

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 Thursday, 19 January 2017.

PRESENT: Mr M A Wickham (Chairman), Mr S Holden (Vice-Chairman), Mr D L Brazier, Mr B E Clark, Mr J A Kite, MBE, Mr G Lymer, Mr F McKenna, Mrs E D Rowbotham, Mr C Simkins, Mr T L Shonk (Substitute for Mr M Baldock) and Mr R Truelove

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 Ms Jemma West (Democratic Services Officer)

UNRESTRICTED ITEMS

201. Apologies and Substitutes

(Item A2)

An apology for absence had been received from Mr Baldock. Mr Shonk attended the meeting as a substitute for Mr Baldock.

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

(Item A3)

Mr Dance declared an interest in item B2 relating to Visitor Economy Services Contract Extension, in that he was a Board Member for Visit Kent.

203. Minutes of the meeting held on 13 December 2016

(Item A4)

RESOLVED that the minutes of the meeting held on 13 December 2016 are correctly recorded and that they be signed by the Chairman.

204. Verbal updates by Cabinet Members and Corporate Director

(Item A5)

1. Mr Hill (Cabinet Member for Community Services) gave the following verbal update:
 - On 10 January 2017, the Dartford Library had re-opened following refurbishment. Excellent feedback had been received from the community.
2. Mr Dance (Cabinet Member for Economic Development and Regeneration) gave the following verbal update:

- The Regional Growth Fund had been relaunched, as the Kent and Medway Business Fund. The scheme aimed to deliver £5 million of investment. It was funded by loan repayments from three previous Regional Growth Fund Schemes which were Expansion East Kent, Tiger and Escalate, and any money generated from the Fund would be recycled for use in these three Schemes.
 - Entries were presently being accepted for the Kent Excellence in Business Awards (KEIBA). The awards were run in partnership with the Kent Messenger, with no cost to KCC. The aim of the awards was to promote Kent businesses and recognise and reward excellence.
3. Mr Dance then responded to the questions of the Committee Members and made points including the following:
- Expansion East Kent had been running for 3 years, Tiger for 2 and Escalate for 1, so the amounts paid back would be different, but all three schemes were paying back the funds.
 - With regard to Brexit, exporting was presently on an uplift of 20%. KCC were a small fish in a big pond, and a strategy could not be formulated until the timings of Brexit were available, but KCC would seek to find the best outcome for Kent businesses.
 - The Scrutiny Committee had looked at the issue of 'Phoenix companies', where a company had gone bankrupt and then continued to trade. There was not a lot KCC could do to prevent this happening with companies who had received loans.
4. A Committee Member commented that Dartford Library was an important community asset, and the Cabinet Member and officers involved in its refurbishment and funding should be commended.
5. RESOLVED that the verbal updates be noted.

205. Libraries Management System Software Contract Renewal

(Item B1)

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

1. Mr Hill introduced the item and said that in his view the paper presented a very clear way forward and he strongly supported the recommendation.
2. Mr Pearson then outlined the report which summarised the preferred option for the renewal of the library management system. He said that on Page 34 of the agenda, in table two (Library Borrowers by Age Band 2015), there had been an error. The figures for the age range 20-59, under Kent Population should be 56,840, with a percentage of 11.60%. He stated that this would be corrected in an updated Equality Impact Assessment.
3. Mr Pearson then responded to a question from a Member and stated that market engagement had taken place for the system, and other suppliers were considered through a supplier engagement process, but none of the other suppliers could meet the requirements to the same extent as SPYDUS.

4. RESOLVED that the proposed decision of the Cabinet Member for Community Services to sign the contract with the existing contractor procured through the LASA framework, be endorsed.

206. Visitor Economy Services - Contract Extension

(Item B2)

(Mr D Smith, Director of Economic Development, attended the meeting for this item).

1. Mr Dance introduced the item and reminded Committee Members that Visit Kent had attended the meeting in December to give a presentation on the work they were doing with regard to tourism in Kent. He also stated that there had been 60 million visitors to Kent the previous year, with £3.6 billion spent on accommodation, and 12,000 jobs created.
2. Mr Smith then introduced the report which described Kent's visitor economy performance over the last three years, and considered options for the funding of Visit Kent beyond the end of the financial year.
3. Mr Smith then responded to questions of the Committee Members and made points including the following:
 - The contract provided for an extension of up to 36 months; Visit Kent's aspirations given at the Committee's presentation in December had been in the context of their five-year plan;
 - The report recommended a 12-month extension to the existing contract: there had been no approaches by other suppliers;
 - The extension of the contract would retain the current value of £280k a year; KCC would supplement this with a staffing and marketing contribution;
 - KCC would consider a further extension of the contract during 2017/18.
4. RESOLVED that the proposed decision of the Leader of the Council to extend the visitor economy services contract with Visit Kent for a further twelve months to March 2018 (with a possible further extension to be decided in 2018), plus a further contribution worth £130,000 to provide for externally funded projects and staffing in 17-18.

207. Draft 2017-18 Budget and Medium Term Financial Plan

(Item C1)

(Mr K Tilson, Finance Business Partner - Growth, Environment & Transport, Mr D Smith, Director of Economic Development, Mr J Pearson, Interim Head of Service and Ms K Stewart, Director of Environment Planning and Enforcement, were in attendance for the consideration of this item).

1. Mr Tilson introduced the report which accompanied the final draft 2017-18 budget and 2017-20 MTFP published on 12 January 2017, and provided further detail on the key assumptions which underpin the budget proposals and savings relevant to the remit of the Growth, Economic Development and Communities Cabinet Committee. It also included information from KCC's budget consultation, the

Chancellor's Autumn Budget Statement and provisional local government finance settlement.

2. Mr Tilson then advised that Appendix one to the report applied to the Growth and Economic Development Directorate, and not the Cabinet Committees remit, although he had tried to ensure the papers made clear the savings and spending pressures relating to the Cabinet Committee.
3. The Corporate Director for Growth Environment and Transport then responded to the questions of the Committee Members and made points including the following:
 - Staffing is taken very seriously, and any changes needed to be as a result of the Vision and priorities for the service. Some services within the directorate were income generating, so these services would not be cut. Staff reductions were not the first choice when identifying savings. 65% of the total GET budget was contracts, and these needed to be considered first. However, inevitably there would have to be some staff savings.
4. Ms Stewart then responded to further questions of the Committee and stated that the capital investment into the Coroners service was to make the service more efficient, including the introduction of a Medical Examiner service.

She also added that the Thanet Parkway was not dependent on the Airport at Manston. It would not take away from Ramsgate Station, and the intention was to unlock access to the High Speed Service for the wider population. KCC were not solely funding the project, as Local Growth Fund monies had been allocated by the Southeast Local Enterprise Partnership (SELEP). Engagement was taking place with developers, and the Thanet Local Plan was presently out for consultation.

5. Mr Smith also responded to questions of the Committee Members and made the following points:
 - In terms of the occupants of Discovery Park, which was the legacy of Pfizer, some were businesses who had come from other parts of Kent, and some were second locations. Statistics showed that more staff were now employed at the site compared to when Pfizer owned the site. These statistics could be provided to Committee Members.
 - The owners of the Discovery Park site had received a loan via the Local Enterprise Partnership to do work on site to provide housing. Planning permission had been sought, but it had been subject to heavy requirements on flood prevention work, and the LEP were working with Discovery Park to address these issues. The funds for this were retained in the KCC forward budget in the event that the development were to proceed.
 - A schedule of EU funding contributing to Kent projects could be provided to the Committee at a future meeting. This funding would only be used to support projects which were in Kent's interest. In anticipation of BREXIT the government had promised that all projects already signed off would be honoured. This was not the case for any successor bids.
6. RESOLVED that draft budget and MTFP, including responses to consultation and Government announcements, be noted.

208. Update on the Priorities of the Kent and Medway Skills Commission for 2016/17

(Item C2)

(Mrs S Dunn, Head of Skills and Employability, attended the meeting for this item).

1. Mrs Dunn introduced the report which explained the governance, operating structures, priorities and outcomes of the Kent and Medway Skill Commission.
2. Mrs Dunn then responded to the questions of Committee Members and made points including the following:
 - The Guilds that were more established could provide evidence of progress against their targets. Some of the more recent Guilds did not have comprehensive data as yet.
 - The construction related Guild did discuss green energy skill requirements for the future. It was difficult to frame issues within one Guild as there were often overlaps.
 - Labour Market intelligence was used to shape the Guilds for the future.
 - The public sector was involved in the Healthcare Guild.
 - The success of Guilds was monitored, but was not yet in a presentable format.
 - The Skills Commission was created as a requirement of the Local Economic Partnership (LEP). The Commission would have its own view of the skills agenda priorities, and how that led to supply chains. The Guilds were two fold, in that SME's were finding it hard to recruit young people at the right level with the right attitudes, and also young people had unrealistic expectations around certain sectors, particularly creative trades. Employers gained information from people within the trades, and were able to go into schools and give introductions to those trades, in a bid to ensure young people have realistic expectations.
 - SME's sometimes had difficulties getting the right people, and could not afford recruitment agencies. The Guilds had been working on a new website matching service to target these issues.
 - Some pathways were easier to teach and to resource, and education establishments' accountability measures could be restricting. Competition between education establishments could drive a reduction in curriculum offers.
 - There were a number of providers would not employ young people at level three if they had not achieved Maths and English. It was important that pathways met the needs of young people, and the Guilds were keen for personalised pathways, including a technical route.
3. RESOLVED – That the 2016/17 priorities and actions of the Kent and Medway Skills Commission be noted.

209. Work Programme 2017

(Item C3)

1. The Cabinet Committee considered the report which gave details of the proposed work programme for the Growth, Economic Development and Communities Cabinet Committee.
2. The Corporate Director for Growth, Environment and Transport confirmed that the following items would be added for consideration at the next meeting in March:
 - Skills Commission;
 - Schedule of revenue from European Funds for Kent projects;
 - Area review of FE.
3. RESOLVED that the work programme for 2017 be agreed.