

TONBRIDGE & MALLING BOROUGH COUNCIL



EXECUTIVE SERVICES

Chief Executive

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NB - This agenda contains proposals, recommendations and options. These do not represent Council policy or decisions until they have received proper consideration through the full decision making process.

Contact: Committee Services
committee.services@tmbc.gov.uk

20 August 2014

To: MEMBERS OF THE ECONOMIC REGENERATION ADVISORY BOARD
(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Economic Regeneration Advisory Board to be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Wednesday, 3rd September, 2014 commencing at 7.30 pm

Yours faithfully

JULIE BEILBY

Chief Executive

A G E N D A

PART 1 - PUBLIC

- | | | |
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| 1. | Apologies for absence | 5 - 6 |
| 2. | Declarations of interest | 7 - 8 |
| 3. | Minutes | 9 - 12 |

To confirm as a correct record the Notes of the meeting of the Economic Regeneration Advisory Board held on 3 June 2014

Matters for Recommendation to the Cabinet

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| 4. | Kent Business Perception Study | 13 - 14 |
| | - Presentation from Locate in Kent | |
| 5. | Corporate Peer Challenge - Economic Regeneration Issues | 15 - 20 |
| 6. | South East Local Enterprise Partnership - Growth Deal | 21 - 24 |
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Matters submitted for Information

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| 8. | West Kent Partnership Minutes | 29 - 36 |
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Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

Matters for consideration in Private

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| 10. | Exclusion of Press and Public | 39 - 40 |
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The Chairman to move that the press and public be excluded from the remainder of the meeting during consideration of any items the publication of which would disclose exempt information.

PART 2 - PRIVATE

- | | | |
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| 11. | Urgent Items | 41 - 42 |
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Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

MEMBERSHIP

Cllr C P Smith (Chairman)
Cllr Miss S O Shrubsole (Vice-Chairman)

Cllr R W Dalton
Cllr M O Davis
Cllr S M King
Cllr R D Lancaster
Cllr Mrs S Luck
Cllr M Parry-Waller

Cllr T J Robins
Cllr A G Sayer
Cllr Miss J L Sergison
Cllr Mrs E A Simpson
Cllr R Taylor

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Apologies for absence

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Declarations of interest

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TONBRIDGE AND MALLING BOROUGH COUNCIL

ECONOMIC REGENERATION ADVISORY BOARD

Tuesday, 3rd June, 2014

Present: Cllr Miss S O Shrubsole (Vice-Chairman, in the Chair), Cllr R W Dalton, Cllr S M King, Cllr R D Lancaster, Cllr M Parry-Waller, Cllr A G Sayer, Cllr Miss J L Sergison, Cllr Mrs E A Simpson and Cllr R Taylor

Councillors Mrs J A Anderson, J A L Balcombe, O C Baldock, M A C Balfour, P F Bolt, M A Coffin, D J Cure, Mrs S Murray and M R Rhodes were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors C P Smith (Chairman), M O Davis and Mrs S Luck and from the Leader, Councillor N J Heslop.

ERG 14/10 DECLARATIONS OF INTEREST

There were no declarations of interest made in accordance with the Code of Conduct.

ERG 14/11 MINUTES

RESOLVED: That the notes of the meeting of the Economic Regeneration Advisory Board held on 26 February 2014 be approved as a correct and signed by the Chairman.

ERG 14/12 FEDERATION OF SMALL BUSINESSES - PRESENTATION

A presentation was given by Mr Graham Taylor, Chairman and Mr Simon Robinson, Secretary of the West Kent Branch of the Federation of Small Businesses (FSB) on the role and current issues being addressed by the organisation. It was noted that the FSB had a Kentwide membership of over 6,500 and the organisation's key roles were to lobby on issues of concern to smaller businesses and provide opportunities for its members to meet and receive support and advice. Particular attention was drawn to a number of local issues including the A21 dualling, Young Enterprise, the impact of car parking charges, the 'Better Business For All' charter and the withdrawal of Sainsbury's from the Tonbridge town centre development.

Questions were invited from Members and the FSB representatives indicated that they would be welcome to attend West Kent Branch meetings. The Chairman then thanked the representatives for their contribution to the meeting.

MATTERS FOR RECOMMENDATION TO THE CABINET**ERG 14/13 WEST KENT LEADER PROGRAMME 2015-2020**

The report of the Chief Executive referred to the success of the first West Kent LEADER programme between 2007 and 2013 and gave details of a new programme designed to support the rural and land based economy. It was noted that the focus of the new programme's funding would be on direct support for the local economy rather than community projects. An indication was given of the changes to the area of coverage of the new programme and, whilst all rural areas within the Borough would be included, further work was being undertaken on options for extending the West Kent LEADER programme area to accord with the EU population limit of 150,000.

Members were advised that an additional contribution of £5,000 per annum would be required from participating local authorities and it was considered that this would be justified by the considerable economic value likely to be generated by the new LEADER programme.

RECOMMENDED: That

(1) development of a new West Kent LEADER programme for 2015/20 be supported; and

(2) appropriate budgetary provision be made to enable the Borough Council to contribute to the administration costs of the new programme as set out in the report.

*** Referred to Cabinet**

ERG 14/14 ESCALATE BUSINESS LOAN FUND - UPDATE

Decision Notice D140067MEM

The report of the Chief Executive provided an update on the Escalate Loan Fund scheme, formally launched in December 2013, and the current level of take up by local businesses. It was noted that the adoption of a combined funding pot with the TIGER scheme for north Kent would result in greater flexibility over the loan funding available and accommodate the higher levels of demand from West Kent businesses.

RECOMMENDED: That

(1) the strong initial demand for business loan funding via the Escalate programme be noted; and

(2) work be undertaken with local partners to make a case for additional loan funding to be made available to the Escalate programme at the autumn review.

ERG 14/15 ECONOMIC REGENERATION INITIATIVES - UPDATE

Decision Notice D140068MEM

The report of the Chief Executive gave an update on various economic regeneration initiatives being delivered locally in the Borough and across West Kent. Details were given of the level of take up of the range of business support initiatives (in addition to the Escalate programme) including one to one business advice, business seminars, the Be Your Own Boss programme, supporting home-based businesses and support for local traders groups.

RECOMMENDED: That

- (1) the update on business support initiatives be noted; and
- (2) parish and town councils be invited to help further promote the supporting home-based business initiative.

MATTERS SUBMITTED FOR INFORMATION**ERG 14/16 WEST KENT PARTNERSHIP MINUTES**

A copy of the minutes of the West Kent Partnership meeting held on 25 April 2014 were presented for Members' information. The meeting had focussed on the importance of West Kent to the economy of the South East Local Enterprise Partnership and Peter Jones, Chairman of the South East LEP, had attended the meeting. In addition the Kent and Medway Growth Strategy had been discussed and Members were pleased to note the high priority awarded to a number of key schemes in West Kent and Tonbridge and Malling in particular.

ERG 14/17 SUPPORT FOR BUSINESSES AFFECTED BY FLOODING

The report of the Chief Executive provided an update on the financial support offered to local businesses to aid recovery from recent flooding. Details were given of the take up of rate relief support and grants under the Business Support Scheme and Repair and Renewal Scheme.

MATTERS FOR CONSIDERATION IN PRIVATE**ERG 14/18 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 8.39 pm

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**TONBRIDGE & MALLING BOROUGH COUNCIL
ECONOMIC REGENERATION ADVISORY BOARD**

3 September 2014

Report of the Chief Executive

Part 1- Public

Matters for Information

1 PRESENTATION - KENT BUSINESS PERCEPTION STUDY

To receive a presentation from Mandy Bearne of Locate in Kent regarding the key findings of a business perception study for the County.

1.1 The Study

- 1.1.1 Locate in Kent is the County's inward investment agency. Their key role is to promote Kent as a location for business and help businesses who wish to locate to the County (and those wishing to move within Kent) to find suitable premises. They prepare and update a register of properties that can be accessed via their website and can assist businesses with more complex property needs on a one-to-one basis. In addition, they also carry out research into business issues to support their role.
- 1.1.2 The presentation will cover the results of a recent perception study about Kent and its sub areas and their attractiveness to business. Some 300 participants were involved from a range of sectors including developers/investors, agencies advising businesses, and businesses who have either expressed an interest in relocating to Kent along with those who had not. The results are compared to previous similar research undertaken in 2006, 2008 and 2010.
- 1.1.3 The conclusions drawn from this study could be useful in helping to frame the Council's Economic Regeneration Strategy which is the subject of a separate report to this Board Meeting.

Background papers:

contact: Mark Raymond

Nil

Julie Beilby
Chief Executive

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**TONBRIDGE & MALLING BOROUGH COUNCIL
ECONOMIC REGENERATION ADVISORY BOARD**

3 September 2014

Report of the Chief Executive

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 CORPORATE PEER CHALLENGE – ECONOMIC REGENERATION ISSUES

To set out the key recommendations on economic regeneration issues contained in the Borough Council's Corporate Peer Challenge Report and to determine an appropriate response to each.

1.1 The Corporate Peer Challenge

1.1.1 As Members will be aware, the Corporate Peer Challenge took place at the end of April 2014 and the report of the Peer Challenge Team was issued in late June. An initial report about the key conclusions was made to the Cabinet on 25th June.

1.1.2 The Peer Challenge's 'corporate' issues that were investigated included local priority setting, resource management, leadership, governance and organisational capacity. In addition, the chosen specific theme for local review was economic regeneration and the Peer Challenge Team were asked specifically to:

'consider [the Borough Council's] approach to economic regeneration and in particular whether the council has the right strategy and capacity to get to where it wants to'.

1.1.3 The purpose of this report is to review the recommendations from the Peer Challenge in relation to economic regeneration and to decide what actions now need to be taken to address the issues that have been raised. The Cabinet will also be undertaking a similar process in relation to the corporate issues addressed by the Peer Challenge process.

1.2 Peer Challenge Recommendations

1.2.1 The Peer Challenge team explored a number of economic regeneration issues as part of the review process. In addition to interviewing Borough Council Members and relevant staff, the team also had meetings with economic development representatives from Tunbridge Wells Borough Council, Sevenoaks District Council, Kent County Council, the Federation of Small Businesses, the Kent Invicta Chamber of Commerce and Industry, the West Kent Partnership, K

College and Sainsbury PLC. The conclusions reached by the team were therefore based on a wide range of views and opinions.

1.2.2 Before assessing the nature of the recommendations for change made by the Peer Challenge Team, it is worth noting the number of positive observations that were made by the Team in relation to the Council's current approach to addressing local economic regeneration issues. In summary, the team recognised:

- The raised profile of economic regeneration within the Council following the creation of a new Cabinet Portfolio which has already help create a more business-orientated approach alongside the role of the new Advisory Board;
- The current focus on supporting small and medium-sized businesses, enhancing local town and village centres and the redevelopment of Tonbridge Town Centre, all reflecting their importance to the local economy;
- The grant support being awarded to local businesses affected by flooding;
- The importance of the development of existing initiatives such as the Escalate Loan Fund for growth-orientated businesses;
- Our enhanced external focus, with West Kent partners, for example, in influencing the priorities of the Local Enterprise Partnership, which more recently has achieved an award of £4.56M for schemes within Tonbridge and Malling.

1.2.3 In terms of the specific recommendations for change contained in the report, these are described below along with a commentary on each.

Peer Challenge Team Recommendation: Produce an integrated economic regeneration strategy which links and guides the council's investment across a range of services and projects, jointly owned by elected members and officers across the Council

Suggested Response: The Advisory Board has already adopted an economic regeneration action plan at its meeting held in February of this year. The action plan currently seeks to embrace activities related to economic regeneration undertaken by other Council services. However, to raise the profile of economic regeneration both across the Council and to a wider, external audience, as recommended by the Peer Challenge team, it is agreed that a more formal economic regeneration strategy should now be prepared. It is understood that Sevenoaks District Council is currently preparing a similar strategy so that there is some scope for joint working.

We would envisage that our economic regeneration strategy should be short and concise and focused on the activities that best add value to the local economy. Whilst there is a need to embrace the activities of our economic partner

organisations, there is a need for a clear focus to be maintained on the economic role of the Borough Council and, as recommended, the extent to which all council services can contribute positively to this agenda. The strategy should be easily understood by the business community including those looking to work and invest in the borough, and provide a platform for closer engagement with those parties. It should set out a positive overall feel and sense of ambition backed up by what the Council can offer in terms of advice, support and practical help and clear signposting to other avenues of assistance.

With regard to timing, it is suggested that the strategy should be developed for 2015/16 with a three year life-span. A report on a draft document will therefore be made to the meeting of this Board in February 2015.

Peer Challenge Team Recommendation: As part of the development of an economic regeneration strategy, ensure that the council is joined up in its approach to economic regeneration and all of the opportunities to contribute to it from across the organisation are maximised; develop greater understanding of the way in which the full range of portfolios and council services can have an impact.

Suggested Response: Following a request from the Cabinet Member for Economic Regeneration, a corporate officer group has been established to address economic issues and the role of individual services in contributing to this agenda. We suggest that this group should be charged with leading on the development of the new strategy and with ensuring that a corporate approach is adopted. Many council services have a relationship with the business community and these need to be captured. We should strive to ensure that our regulatory services are delivered in a way that positively assist local business and investment as far as practicable and consistent with the Council's statutory duties. For example, in areas such as licencing, business rates collection, food hygiene inspections and some aspects of development control our aim will be to ensure that any interventions are proportionate and that decisions take fully into account the needs of local business in the context of the overall economic regeneration priority. In particular, we should ensure that businesses are given the right information and advice for them to understand the processes that need to be followed.

The link between economic regeneration and the Council's emerging Local Plan will also be important to develop. An Employment Land Review study for the Plan is being prepared and a report on this will be made to the next meeting of this Board following its initial consideration by the Planning and Transportation Board. It will be for the local plan to reflect the importance of economic regeneration and growth in its approach to planning policy and land allocation, not just for employment uses but for other development such as an appropriate supply of housing to support local labour market needs.

Peer Challenge Team Recommendation: The Council should continue to develop the way it influences across a wider geography in order to secure maximum benefit for Tonbridge and Malling.

Suggested Response: Significant progress has already been made with the regard to our influencing role, supported by the West Kent Partnership as appropriate. However, as future sources of support funding are now more likely to be channelled via the Local Enterprise Partnership, we need to remain vigilant and ready to respond to calls for bids when these arise. Members of the Council may also have a positive role to play in helping to engage with key businesses within their respective wards and reporting back any issues of concern for the Council to address.

Peer Challenge Team Recommendation: The Council's role in influencing national and regional initiatives via the West Kent Partnership and the Kent and Medway Economic Partnership needs to be built upon to maximise this role.

Suggested Response: There are two ways that we can further develop our wider influence as suggested in the recommendation. The West Kent Partnership remains an influential body but its role could be further strengthened. There needs to be greater business representation on the Partnership to help guide its work and, in effect, become a 'West Kent Economic Partnership' which is more readily aligned to the county-wide Kent and Medway Economic Partnership.

In addition, we need to be more proactive in ensuring the economic needs of the Borough (and West Kent more generally) achieve greater recognition across a wider audience. As a starting point, the three West Kent districts have agreed to commission a short study on the economic impact of investment made in West Kent compared to that made in other areas. We anticipate that this will demonstrate that investment in the West Kent area would generate greater economic benefits and will thus encourage a sharper focus on the significance of the West Kent economy to the county as a whole. We will report on the findings of this study to a future meeting of this Board.

Peer Challenge Team Recommendation: Delivering the economic agenda to achieve the full potential requires increased resources and for these to be supplemented with greater expertise from within other council services.

Suggested Response: We intend to focus on joint working across services as has been suggested by the Peer Challenge team which aims to involve additional staff to help deliver the wider economic regeneration agenda. Secondments will also be investigated. We continue to work closely with our West Kent partners to share the workload in relation to joint projects such as further work on the West Kent Priorities for Growth document and the potential need to prepare joint bids to access future funding from the South East LEP.

1.3 Legal Implications

1.3.1 None

1.4 Financial and Value for Money Considerations

1.4.1 As considered above.

1.5 Risk Assessment

1.5.1 n/a

1.6 Equality Impact Assessment

1.6.1 See 'Screening for equality impacts' table at end of report

1.7 Recommendations

1.7.1 That the suggested responses to the economic regeneration issues raised as part of the Corporate Peer Challenge, as set out in the report, **BE ENDORSED**.

The Chief Executive confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and policy Framework.

Background papers:

contact: Mark Raymond

Nil

Julie Beilby
Chief Executive

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	n/a	
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.

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**TONBRIDGE & MALLING BOROUGH COUNCIL
ECONOMIC REGENERATION ADVISORY BOARD**

3 September 2014

Report of the Chief Executive

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 SOUTH EAST LOCAL ENTERPRISE PARTNERSHIP – GROWTH DEAL

To set out key components of the recent SELEP growth deal and its local implications.

1.1 The Growth Deal

1.1.1 In early July, the Government announced that the South East Local Enterprise Partnership (SE LEP) had secured a £442.2 million funding package to boost economic growth across East Sussex, Essex, Kent, Medway, Southend and Thurrock - with a particular focus on transport schemes that will bring new jobs and homes. This funding allocation follows SELEP's submission of its bid for funding which was informed by the Kent and Medway 'Growth Deal' bid. This was in turn influenced by more local submissions on funding needs including the West Kent Priorities for Growth document that was prepared by the West Kent Partnership.

1.1.2 The purpose of this report is to note what funding has now been awarded and what implications this has for local projects relevant to Tonbridge and Malling. The report also highlights gaps in the growth deal and how these might be addressed.

1.2 Local Funding Awarded

1.2.1 The SELEP growth deal includes the following allocations that are of particular importance to this Borough:

- Tonbridge Town Centre Regeneration - £2.37m
- Improvements to Junction 4 on the M20 - £2.19m
- Sustainable transport projects across West Kent - £4.89m.
- Kent and Medway Growth Hub - £6m.

- 1.2.2 It is pleasing to note that two key transport schemes in the Borough have won funding from the growth deal. Funding for Tonbridge Town Centre will enable the scheme of highway and public realm improvements focused on the High Street to be brought forward. This scheme has previously been considered by the Joint Transportation Board. Funding for capacity improvements at Junction 4 of the M20 will seek to relieve some of the congestion issues which currently affect the junction. This will provide a widen overbridge on the eastern side of the junction. Members will be aware that two previous applications for DfT 'pinch point' funding for this scheme had been rejected so this RGF allocation will now enable this important project to go ahead.
- 1.2.3 The allocation for sustainable transport projects across West Kent currently involves range of schemes related to station access, cycle parking and improvements to local bus infrastructure. Funding for 2015/16 has already been committed. Included in this is an allocation of £340,000 to contribute to the HS1 upgrade to Snodland station. For the following five years, there remains some scope to influence how the remaining funding could best be spent, taking into account the list of projects that were included in the West Kent Priorities for Growth document, perhaps focusing on a smaller number of larger scale transportation projects to maximise the impact and benefit of this funding package. As a transportation issue, this matter will need to be taken forward via the Joint Transportation Board.

1.3 The Kent and Medway Growth Hub

- 1.3.1 As stated above, funding of £6m has been allocated to Kent and Medway for a 'growth hub'. This amounts to £1m per annum over the next six years. However, the growth deal announcement initially gave little extra detail about how this money could be spent and what the expectations of Government were in respect of the use of these funds.
- 1.3.2 It has now been established that this is a capital allocation and not revenue funding. The original intention was to use the Growth Hub funding to provide a range of business support programmes but, as a revenue funding requirement, this is now not possible. That said, this new source of capital funding has the potential to provide additional funds to extend the three interest-free business loan funds currently operating within Kent: Expansion East Kent, Tiger (North Kent) and Escalate (West Kent/East Sussex). As the Board will be aware, local take up of Escalate loan funding has been very strong locally and although Government funding for this current scheme is due to end in March 2015, the growth new fund monies could provide scope to extend the life of the current schemes now in place, and potentially be matched with other European funding. The Kent and Medway Economic Partnership has recently been asked by the Government to come forward with a proposal about how best this funding could be utilised and a draft of this will be presented to that Partnership in October.

1.4 Business Support Funding

1.4.1 In terms of local revenue funding needs, the Board will be aware that a range of business support services across West Kent have been commissioned including one-to-one business advice, business seminars, support for home-based businesses and young entrepreneurs. In addition to funding from West Kent partners, the programme was supported by the County Council's Kent Regeneration Fund. However, that fund has now been withdrawn and funding will cease from September. Some support services will be able to continue using funding from the West Kent Partnership. There is, however, an urgent need to obtain funding to ensure key business support activities across West Kent can be continued and further developed to meet the specific needs of the West Kent area.

1.4.2 A potential source of revenue funding is the European Regional Development Fund (ERDF) which must be used to support innovation and growth, SME competitiveness and low carbon economies. Government has allocated £82.5m of this fund to the SELEP which will be available from March 2015. Work is now underway to prepare an 'Innovation and Growth Statement' for Kent and Medway to highlight potential projects which could be supported through the ERDF. It is vital therefore that the future business support needs of West Kent are identified as one of the priorities in this statement.

1.4.3 Whilst there is likely to be some emphasis placed on the role of national business support agencies including UKTI, Growth Accelerator and the Manufacturing Advisory Service, an appropriate level of provision also needs to be made for business support services which are locally commissioned and which aim to meet the business needs of more specific areas including specifically, for West Kent. Available funding therefore needs to be devolved to the West Kent level to facilitate the local commissioning of those key business services. This was the basis on which our existing business support programme has been developed and successfully implemented. Further work will therefore be required to influence emerging priorities with regard to business support provision. A recommendation for the Board has been set out below to ensure there is clarity with regard to the Borough Council's position on this issue.

1.5 Legal Implications

1.5.1 None

1.6 Financial and Value for Money Considerations

1.6.1 As described above.

1.7 Risk Assessment

1.7.1 As set out above. Additional external funding is required to enable important business support services across West Kent to be maintained.

1.8 Equality Impact Assessment

1.8.1 See 'Screening for equality impacts' table at end of report

1.9 Recommendations

1.9.1 That the outcome of the Growth Deal for the SELEP area and for West Kent **BE NOTED**;

1.9.2 That the proposed position on the provision of future business support services as set out in Section 1.4 of this report **BE ENDORSED** and a further progress report **BE MADE** to the next meeting of this Board.

The Chief Executive confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Mark Raymond

Nil

Julie Beilby
Chief Executive

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	Funding awarded for local schemes will meet general needs.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	n/a	As above
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.

**TONBRIDGE & MALLING BOROUGH COUNCIL
ECONOMIC REGENERATION ADVISORY BOARD**

3 September 2014

Report of the Chief Executive

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 WEST KENT LEADER PROGRAMME 2015-2020 – UPDATE

To provide an update on the development of a further LEADER programme for West Kent.

1.1 Background

1.1.1 I reported to your June Board meeting on the proposals to develop a new, five year LEADER programme for West Kent from 2015, building on the highly successful programme which was in place between 2007 and 2013. This report provides a further update on progress with that bid and specifically addresses two key outstanding issues:

- The proposed geographical extent of the new LEADER area across West Kent
- The proposed local priorities for the new LEADER programme on which comments have been requested.

1.2 The Area of Coverage

1.2.1 As reported previously, the EU has set a maximum population of 150,000 for each LEADER area. Given the growth in population that has occurred locally since the last programme was developed in 2007, there has been a need to revisit the area of coverage of the new programme area to ensure that maximum population was not exceeded. There was also a possibility that a wider area could potentially be adopted but this would be subject to DEFRA being able to obtain a 'derogation' from the EU to enable the minimum population to be increased. Alternatively, there could have been a need to reduce the area of coverage to meet the maximum population level leaving some rural parts of West Kent ineligible for the programme.

1.2.2 Following further discussions with DEFRA representatives and with local partners, it has now been established that most of the area previously covered by the first LEADER programme can continue to be included. The only significant changes

now proposed relate to the Gravesham/Medway area. Here, the Hoo Marshes area previously covered by West Kent is now to be taken in by the adjacent North Kent Downs and Marshes LEADER group. This change now enables a larger part of the Gravesham rural area south of the M2 to be included in the West Kent area than previously. On this basis, the proposed area has now been agreed.

1.3 Local West Kent LEADER Priorities

1.3.1 In order for the West Kent LEADER team to prepare a Local Development Strategy for the programme, setting out how the programme is to operate across West Kent, consultation is underway on the overall priorities for the programme.

1.3.2 Nationally, all LEADER programmes must aim to cover 6 key priorities specified by the EU:

- Support for increasing farm productivity
- Support for micro and small enterprises and farm diversification
- Support for increasing forestry productivity.
- Support for rural tourism
- Provision of rural services
- Support for cultural and heritage activities

1.3.3 Local programmes, however, have the freedom to determine the level of priority to be attached to each of these areas so that they may seek to meet specific local needs and channel grant funding to the parts of the rural economy most in need of support.

1.3.4 The earlier LEADER programme maintained a clear focus on supporting farming enterprises, rural businesses and forestry as a priority. It is proposed that the next programme continues to have this focus and that an indicative proportion of 75% of the total funding should be focused on these first three priorities with the remaining 25% then available for tourism, rural services and culture/heritage projects. Given the need to continue to focus on job creation and promoting growth within the rural economy, it is recommended that these suggested priorities be supported.

1.4 Legal Implications

1.4.1 None

1.5 Financial and Value for Money Considerations

1.5.1 Financial matters related to the LEADER programme were considered at the previous Board meeting.

1.6 Risk Assessment

1.6.1 N/a

1.7 Equality Impact Assessment

1.7.1 See 'Screening for equality impacts' table at end of report

1.8 Recommendation

1.8.1 The further progress in relation to the new LEADER programme **BE NOTED** and that the suggested priorities for the new programme, as set out in the report, **BE SUPPORTED**.

The Chief Executive confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and policy Framework.

Background papers:

contact: Mark Raymond

Nil

Julie Beilby
Chief Executive

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	The LEADER programme must deal with all funding applications on a fair and consistent basis.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	n/a	
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.

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TONBRIDGE & MALLING BOROUGH COUNCIL
ECONOMIC REGENERATION ADVISORY BOARD

3 June 2014

Report of the Chief Executive

Part 1- Public

Matters for Information

1 WEST KENT PARTNERSHIP - MINUTES

To receive the minutes of the West Kent Partnership meeting held on 25th April 2014.

1.1 Minutes of the Meeting

1.1.1 The minutes of the WKP meeting held on the 25th April 2014 are attached as Annex 1 to this report.

1.1.2 Peter Jones, Chairman of the South East Local Enterprise Partnership, attended the meeting of the West Kent Partnership to outline the emerging role of the LEP and the development of the Growth Plan to secure funding from Government. He acknowledged that areas of economic growth such as West Kent deserved to be supported and that the LEP must 'invest in success' to achieve its overall economic objectives in addition to supporting areas in economic need. He also acknowledged the work of the WKP to set out its business and infrastructure priorities and the influence that this has had on both the Kent and Medway and LEP-wide growth strategies.

1.1.3 Ross Gill of Kent County Council outlined progress with the Kent and Medway Growth Strategy and drew attention to a request from Government for each area to prioritise its various proposed schemes. This exercise has been now undertaken for Kent and Medway, and a high priority has been awarded to a number of key schemes in West Kent and in Tonbridge and Malling in particular. These include:

Peters Village – forward funding of community infrastructure

Tonbridge Town Centre Regeneration – transport

M20 Junction 4 Over Bridge scheme

East Malling Research – forward funding to create new business hub.

1.2 Legal Implications

1.2.1 n/a

1.3 Financial and Value for Money Considerations

1.3.1 n/a

1.4 Risk Assessment

1.4.1 n/a

Background papers:

contact: Mark Raymond

Nil

Julie Beilby
Chief Executive

West Kent Partnership Meeting

Minutes

Friday 25 April, 2014, St Julians, Sevenoaks

Present

Peter Fleming, SDC (Chair)
Roddy Hogarth, SDC
David Candlin, TWBC
Jane March, TWBC
Jon Regan, Hugh Lowe Farms
Mark Raymond, TMBC
Paul Lulham, KCC
Wendy Wood, WKP

Lesley Bowles, SDC
Brian Luker, TMBC
David Godfrey, KCC/SELEP
Jo James, KICC
Julie Beilby, TMBC
Nicholas Heslop, TMBC
Wayne Peet, BIS

Apologies

Lesley Game, K College
Jan Van der Velde, Kit for Kids
John Marshall, SFA
Paul Bentley, Maidstone & TW Trust
Jonathan MacDonald, TWBC
Ch Supt Corbishley, Kent Police
John Balcombe, TMBC
Pav Ramewal, SDC
Roger House, FSB
Jacqui Ward, KCC

Guests

Peter Jones, SELEP
Ross Gill, KCC
Caroline Lingham, WK Leader

1. Minutes and Matters Arising

All covered in Agenda

2. The importance of West Kent to the economy of the LEP area – Peter Jones

The Chairman welcomed Peter Jones who made the following points:

- **West Kent and East Sussex** - As a previous Leader of East Sussex County Council Peter Jones was well aware of the strong affinity between East of East Sussex and West Kent linked as they are by the A21 and the importance of dualling the road at Pembury.

- **Invest in Success** - West Kent demonstrates a strong case for investing in success. One of the most successful parts of the South east economy with outstanding businesses and an entrepreneurial population. Investing in success generates wealth which provides taxes to help the less well off. Message to West Kent is to fight hard to win investment and the LEP supports investing in successful communities.
- **SELEP Director** - David Godfrey, a West Kent resident, has been appointed as full time Director at SELEP. Strong skill set, political and Whitehall connections and experience. David is in a good position to get message to Ministers and civil servants alike that investing in success in the SELEP will generate revenue to benefit the whole Nation.
- **Local Growth Fund** - SELEP represents 8% of the national economy and area and predicated on the invest in success argument is bidding for a 10% share of the £2 billion pa government local growth funding - £200M a year - two thirds of which would be allocated to transport/infrastructure projects

The remaining one third would be for a range of capital investment projects in the physical and intellectual capital of our area

- **Educational Governance** - The South East has underperformed on educational and skills achievement. Investment is needed to raise the quality of the educational and skills offer in the SELEP. Local business needs to be at the heart of education and represented as Governors on School and College boards. There is a crisis of governance in our schools and the current model needs change to incorporate significant business involvement so that the right skills are developed to meet business needs.
- **SEFUND** – a real estate investment fund in the SEP submission. It is designed to leverage funding from banks and investment institutions at a ratio of 1:7 or 8. It will be used to help the SELEP's 9 universities build business parks on their campuses. Through a partnership the universities will then develop a mechanism to promote innovation and spin out to businesses with all involved in the process incentivised to get innovative products to market. The Fund will be designed so that a good proportion of projects can be refinanced at an early stage making the Fund recyclable.

Peter Fleming and other Partners endorsed the Invest in Success approach which has long been argued from within West Kent and pleased that the West Kent voice is being heard on a level with other areas within the LEP.

Partners made a number of comments

- **Rail Investment** – There is a real need to invest in rail infrastructure in West Kent and ensure the continuance of a world class fast train line into

London. Peter Jones is working to secure a high speed line from Hastings to St Pancras via Ashford which could be a project for SEFUND and reduce demand on the Hastings line via Tunbridge Wells. Concern was expressed however, that WK commuters are paying more per mile to commute than elsewhere in country, effectively subsidising improvements from which they will not benefit, such as HS1 and facing severe disruption through London Bridge for next 5 years.

- **A21** - A request was made that the SELEP intervene with Government to obtain the long-awaited outcome of the A21 Inquiry. Post meeting – Announcement has been made that the dualling at Pembury will be going ahead post 2015. PJ
- **Town Centres** - Sainsbury's pulling out of the Tonbridge town centre development has been a big blow locally. This reflects changes in the retail sector worldwide. Major supermarket retailers are being challenged by Aldi and Lidl and share prices are falling. Peter Jones predicts a long period of price war and profit squeeze ahead. Internet retailing is claiming a larger share of the market with nearly 20% of all Christmas purchases last year made on line. Peter Jones counselled that local authorities need to look at what constitutes a town centre and be prepared to invest in different things such as Open University satellites in town centres.
- **SEFUND** - Concern was expressed that previous investment via SEEDA into Canterbury University City had largely failed to provide support for innovation and that support clustered around universities was now outmoded. Investment needs to be on a county wide basis. The innovative environment model has moved on and now needs to be aligned with Kent Reimagined rather than repeat unsuccessful past investment strategy. In response Peter Jones pointed to University of Brighton who have spread the work of the university along the south coast taking education and skills opportunities outwards to other communities. Distance learning is also a route as are business centres with support for new businesses.
- **Broadband** - Poor connectivity is still an issue in rural areas where investment by the County Council in Kent has lagged behind that in East Sussex impacting on the overall budget because Government matched Council investment. The superfast speeds delivered across the piece in Australia were held up as an example of what can be achieved. Peter Jones endorsed the vital importance of broadband infrastructure and indicated that if there was a choice between investment in roads and fibre then fibre should win. There is no competition in delivery as procurement process resulted in delivery through BT alone and rollout is steady and bureaucratic through Broadband UK. Where communities have come together and procured fibre themselves speeds are excellent and delivery swift. The point was made that 51% of our residents are in rural areas and there are an increasing number of home-based businesses which require the broadband infrastructure.

- **Landbased Economy** - East Malling Research Centre has a major part to play in giving the farming population the tools to weather the imminent price wars. The primary producers will be very hard hit. Peter Jones responded that the SELEP SEP provides for support for the land-based sector.
- **Educational Governance** - K College was given as an example of an educational establishment that had suffered with poor governance and a failure to engage with the business sector on governance. Peter Jones explained that Essex is developing a model with the Chamber of Commerce and Essex Business Board on further education which is having an impact in ensuring business involvement in FE colleges and better alignment of courses with commercial and business needs in area. Jo James has a meeting with Essex Chamber and offered to circulate some notes on the model via Wendy.

JJ

Engineering skills - As older skilled people retire there is a missing generation beneath them where the education system failed to train enough engineers. Funding is required for that generation to retrain in the required skills as well as to bring young people into the sector.

Post 14 Education Choices - The recent competition in education provision has had a positive impact on choices for 14 year olds. However, there are issues around schools not necessarily making those choices clear to their students. For example, not allowing University Technical Colleges <http://www.utcolleges.org/> access to mainstream pupils. It was agreed that if you give the right opportunities to young people all can achieve, with the example of Rye Studio School given has an example where working with more challenged young people they had excelled in a conducive environment.

3. **KCC Vision for West Kent – Mark Dance** – carried forward to future meeting
4. **Local Prioritisation/Delivery Plan for Kent and Medway – Ross Gill**

Ross explained that the SEP was developed as a document with a dual purpose – a vision for the South East area but also, at Government’s request, as a funding bid for the local growth pot from which SELEP is bidding for £2Bn over the 6 year period. There is a spatial allocation of £67M for West Kent and in addition county wide investments from which West Kent will benefit such as building on the Escalate Fund. This investment ask was developed from WKPs *West Kent Priorities for Growth* document.

The SEP was submitted at end of March and now Government is asking for priorities to be ranked with a focus on what can be started in 15/16. A ranking exercise has been completed and Transport accounts for 75% of the investment. The remainder are site-based projects that form part of the pipeline

for the new SEFUND. A list of projects deliverable in 15/16 will be submitted to Government and a further list will be generated ranking priorities for the whole programming period. The ranking exercise has caused some issues but West Kent has come out of the process well placed reflecting *West Kent Priorities for Growth* argument that the area is geared towards delivery.

There was some discussion around projects included in the ranking process and concern that the growth hub project has been taken out. Ross explained that it had always been understood that projects should be predominantly capital projects but that recent guidance from Government had clarified that only capital projects can be included. Hence all revenue projects such as the growth hub and some skills revenue projects have had to be taken out. SEFUND has remained in priorities as it has been designed as a capital project along the lines of the RGF3 finance projects being delivered in Kent.

David Godfrey advised that Government have now made further requests for project detail and prioritisation which poses the risk of Government cherry picking projects to support. Funding on a per project basis would be a very unsatisfactory result and difficult for the SEP to manage. SELEP need to demonstrate what can be delivered and then negotiate on freedom and flexibilities over delivery. Lobbying will be very important and two of the four panel members are WK MPs so West Kent voice vital.

all

Positive news is that Government have accepted the Federated model for the large SELEP area.

5. **Transport Update – Paul Lulham**

Concern was expressed about the lack of a decision on the A21 and a period of purdah about to start. Post meeting – A21 has been approved.

Kent and Medway bids within the SEP are over £500M and £360M of this is for transport. For West Kent these include North Farm Relief Road Strategy, M20 Junction 4, park and ride in Tunbridge Wells, Tonbridge Town Centre regeneration and sustainable transport interventions across West Kent.

Projects which strategically impact on West Kent include the Lower Thames Crossing on which there is still no decision, free flow tolling at the Dartford Crossing trialling in the autumn, and Gatwick consulting on a second runway ahead of the Davies Commission reporting in the autumn on Aviation Expansion.

Consultation has been completed on the Kent Freedom Pass and KCC Cabinet are expected to give approval to a compromise scheme from September which would see the price rise from £100 to £200 payable in 2 instalments for most users and the 16 plus scheme to go down to £400 from £500. Eligibility times will be reduced to 6am-7pm Monday to Friday during the academic year. This is still a very good scheme for students and outside of London Kent is the only authority offering such a scheme.

Peter Fleming thanked Paul for Chairing the Transport subgroup for nearly 3 years so ably and his contribution to Partnership meetings. Partners wished Paul well in his new career in the private sector.

6. **Funding**

West Kent Leader – Caroline Lingham - Powerpoint attached.

Escalate

Escalate was developed out of the WKP conference in January 13. There is now a pipeline of £7.7M generated since launch in December 13. All funds must be drawn down by 31 March 2015. Escalate will need to demonstrate projects delivering and drawing down and should be in a good position to approach Government for unspent funds from elsewhere. Escalate process is clear, restricted to 0% loans for a maximum of 50% project value, with no equity stake for the Fund and repayment terms designed to deliver recyclable funds.

7. **Co-ordinator's Report** – circulated with Agenda

Partners were asked to note that the West Kent Investment Strategy Action Plan circulated with the Agenda has now been completed and priorities will now be addressed *through West Kent Priorities for Growth* and Kent Delivery Plan.

The ongoing provision of business support after KCC funding is spent in September is a priority and ways to continue with the support developed during the pilot year until any LEP funding is available are being explored.

Partners were reminded of the West Kent B2B event at The River Centre, Tonbridge on 30 April, hosted by Kent Invicta Chamber and sponsored in part by the West Kent Partnership.

WW

8. **AOB** - None

9. **Dates of Next Meetings** – all Fridays 10am-noon

- 25 July, 2014
- 24 October, 2014
- 23 January, 2015
- 24 April, 2015
- 24 July, 2015
- 23 October, 2015

Agenda Item 9

Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

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Agenda Item 10

The Chairman to move that the press and public be excluded from the remainder of the meeting during consideration of any items the publication of which would disclose exempt information.

**ANY REPORTS APPEARING AFTER THIS PAGE CONTAIN EXEMPT
INFORMATION**

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Agenda Item 11

Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

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