

TONBRIDGE & MALLING BOROUGH COUNCIL
ECONOMIC REGENERATION ADVISORY BOARD

26 February 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 SELEP STRATEGIC ECONOMIC PLAN, KENT AND MEDWAY UNLOCKING THE POTENTIAL, AND WEST KENT PRIORITIES FOR GROWTH

To update the Board on the development of growth plans for the South East, for Kent and Medway, and for West Kent and to set out proposals for the development of a local commissioning plan to draw future funding into Kent and Medway from the Local Enterprise Partnership (LEP) to support local economic priorities.

1.1 Background

1.1.1 A report was made to the previous meeting of this Board in November 2013 regarding the development of various plans for growth. In summary:

- At the local level, the West Kent Partnership has prepared a West Kent Priorities for Growth plan setting out the need to invest in local infrastructure and business support initiatives.
- For the Kent and Medway area, Kent County Council has prepared a growth plan entitled 'Unlocking the Potential – Going for Growth' covering the same infrastructure and business needs as above. This has taken account of priorities set out in plans prepared by the sub-areas of Kent including West Kent, North Kent and East Kent.
- For the South East Local Enterprise Partnership, Government requires the publication of a Strategic Economic Plan (SEP). This is being informed by the preparation of plans for the Kent and Medway, Essex and East Sussex areas.

1.1.2 The purpose of this report is to provide an update regarding each of the plans mentioned above. The Board is reminded that funding from both Government and European sources for local infrastructure projects and to support economic initiatives is now being channelled via Local Enterprise Partnerships across the country. The level of funding to be awarded to the South East LEP from 2015 will

be determined by the strength of case to be set out in the Strategic Economic Plan. £152M of regional growth funding along with a further £165M funding from European sources is potentially available to the South East LEP provided a convincing case of need is established. The challenge for local areas is to achieve funding for local projects from this overall allocation.

1.2 The West Kent Priorities for Growth Document

- 1.2.1 A draft of the plan for West Kent was presented to your previous meeting for endorsement. Further revisions and updates to the plan have been made and a final version of the plan was formally adopted by the West Kent Partnership at its meeting held on 24th January 2014.

1.3 Kent and Medway Unlocking the Potential: Going for Growth

- 1.3.1 A first draft of the growth plan for Kent and Medway was published for consultation in early January. A copy of this document can be viewed at:

<http://www.kmep.org.uk/pdfs/Unlocking-the-Potential-v31191213.pdf>

- 1.3.2 In broad terms, the Kent and Medway Plan reflects a number of the key priorities for West Kent as set out in the West Kent Priorities for Growth document and there is much within the draft Kent and Medway Plan that can be supported.
- 1.3.3 A report was made to the West Kent Partnership outlining a number of comments on the plan. These are set out at Annex 1 to this report. The West Kent Partnership endorsed these comments and a further draft of the Kent and Medway Plan is now being produced. The Advisory Board is invited to endorse the comments on the Plan as submitted by the West Kent Partnership.

1.4 The Strategic Economic Plan

- 1.4.1 A first draft of the Strategic Economic Plan was published in late December 2013. A copy of the full document can be viewed at:

<http://www.southeastlep.com/about-us/activities/262-developing-a-growth-strategy-and-prioritising-investment-in-the-south-east>

- 1.4.2 The draft SEP reflects many of the local priorities for infrastructure improvements and business growth as set out in the Kent and Medway Plan. It provides a balanced view of local needs across the SELEP area as a whole and a convincing case for project funding. When reported to the West Kent Partnership, the only concern noted with the SEP was the wording of a summary regarding West Kent which was not felt to be an adequate reflection of the degree of ambition and scale of growth for West Kent. Revised wording for this section was agreed by the Partnership, as set out in Annex 1, and the Advisory Board is invited to endorse these comments.

1.5 Future Timetable

1.5.1 A final version of the SEP needs to be submitted to Government by 31st March 2014. Feedback from the Government on the first draft is still awaited. It is hoped that the final draft will reflect the comments made by the West Kent Partnership both on the Plan itself and picking up comments made in the Kent and Medway Plan.

1.6 Proposed Kent and Medway Commissioning Plan

1.6.1 Work is now underway across Kent and Medway, in parallel with work to finalise the growth plans, to prepare a commissioning plan to set out in more detail the specific projects and infrastructure improvements that will require funding. The West Kent area, along with other sub areas of Kent, needs to inform and influence this process to ensure that it secures the funding needed for its local priorities.

1.6.2 There is likely to be considerable competition for funding for Kent and Medway's transport infrastructure needs. Some of the projects listed in the West Kent Priorities Plan, for example, M20 junction 4 improvements, A21 dualling, A228 Colts Hill Link will, in any case, require funding direct from the DoT/Highways Agency and not from LEP funds. Further work will be required to prioritise the list of West Kent's transport infrastructure projects for inclusion in the commissioning process. The area of work is best taken forward by the Planning and Transportation Advisory Board.

1.6.3 In terms of economic priorities, it would be useful at this stage to seek the Board's endorsement of a set of local projects of particular importance to Tonbridge and Malling. Based on the projects mentioned in the West Kent Priorities for Growth document, the following economic projects are suggested as the Borough's specific priorities along with an indicative funding need:

- Funding for business start-up hubs (capital funding, to be specified)
- Funding to enable the current West Kent Business Support programme to be extended to cover the next 7 year period (a total investment requirement of £500,000)
- Additional funding to enable the Escalate Loan Fund for business to be extended beyond March 2015. Strong local take up of the £5.5M existing fund suggests that a further £20-25M fund over the next 6/7 years could be required
- Rural support projects (in addition to a further LEADER programme for West Kent) - £300K
- Projects to support skills development and vocational learning programmes linked to the needs of local business. These need to be further developed by a skills sub group of the West Kent partnership. Indicative funding - £500K.

- Community-led Local Development Projects (CLLD) to address the three key areas of deprivation in Tonbridge and Malling (£100K pa) and the needs of local market towns including Tonbridge town centre.

1.6.4 Further work on the commissioning process will continue over the rest of this year. As stated above, it remains crucial that West Kent continues to set out a strong case for local investment over this period to ensure the area receives its fair share of support relative to other needs across Kent and Medway.

1.6.5 A further issue, yet to be resolved, is the degree to which Government funding which will be awarded to the LEP, will then be devolved to local area partnerships such as the Kent and Medway Partnership. If significant levels of funding are held centrally by the LEP and administered by the LEP board only, there is a risk that a fair distribution of funding across the LEP area may not be achieved. It is therefore suggested that the Leader is invited to write to the Chairman of the South East LEP setting out the Borough's Council strong support for a largely devolved funding model to be adopted.

1.7 Legal Implications

1.7.1 n/a

1.8 Financial and Value for Money Considerations

1.8.1 As set out in the report.

1.9 Risk Assessment

1.9.1 As set out in the report

1.10 Equality Impact Assessment

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

1.11 Recommendations

1.11.1 That the comments submitted by the West Kent Partnership on the draft Kent and Medway Growth Plan and the Strategic Economic Plan **BE ENDORSED**;

1.11.2 That the draft priority list of local economic projects, as set out in paragraph 1.6.3 of this report, **BE ENDORSED**;

1.11.3 That the Chairman of the South East Local Enterprise Partnership **BE INFORMED** of the Borough Council's strong support for Government funding to support growth being devolved to the Kent and Medway Partnership.

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	This report deals with future funding for a range of transport and business projects aimed at supporting the local economy to the benefit of all.
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.