

TONBRIDGE & MALLING BOROUGH COUNCIL
ECONOMIC REGENERATION ADVISORY BOARD

22 February 2017

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 UPDATE ON THE BOROUGH ECONOMIC REGENERATION STRATEGY ACTION PLAN FOR 2016

To provide a detailed overview of the progress made in delivering the Economic Regeneration Strategy Action Plan during 2016.

1.1 Background

1.1.1 At the Economic Regeneration Advisory Board on 23 June 2015, Report ERG 15/13 presented the Borough Economic Regeneration Strategy and Action Plan. It was recommended that the Borough Economic Regeneration Strategy be approved subject to a minor amendment to the 'success measure' for securing high speed broadband services across the Borough to reflect the Government's ambition of 95% by 2017.

1.1.2 This report provides the Board with information on progress regarding the actions set out under Chapter 8 of the Borough Economic Regeneration Strategy, covering the following topics:

- | | |
|------------------------------------|----------------------------------|
| • Business Advice and Support | • LEADER Programme |
| • Loan Funding to Local Businesses | • Better Business for All |
| • Skills Development | • Broadband |
| • Work Readiness | • Inward Investment |
| • Infrastructure Projects | • Tourism |
| • Town and Retail Centres | • Tonbridge & Malling Local Plan |

1.2 Progress to Date

1.2.1 Progress on delivering the Action Plan is set out in Appendix 1. This illustrates that overall good progress is being made on a wide range of initiatives.

1.2.2 By using a RAG analysis of the actions set out in the Strategy, one can see that there are no longer any projects that have a 'red' status. The new Kent and Medway Business Fund officially launched on 12 January 2017 and will be allocating £5 million of 0% interest loans to Kent businesses during 2017.

- 1.2.3 There have also been a number of achievements over this period, most notably the award of £4.64m of Local Growth Fund Round 3 funding towards the Leigh Flood Storage Area (including Hildenborough) and East Peckham, as well as a well-used programme of business support.
- 1.2.4 Unlike the update for 2015, there is now enough statistical information to start illustrating initial trends, as set out in Appendix 2. Under the heading 'Previous Performance', some of the figures are set out in bold. These are figures that have either recently become available or are modifications of previous estimates. This has meant that some of the figures for 2013 and 2014 are quite different to those originally set out. For example, the 3 year business survival rate for 2013 was originally estimated at over 70%, and this has subsequently been downgraded to 60.2%.
- 1.2.5 As is evident from the information in Appendix 2, most of the trends are moving in a positive direction. However, the number of VAT de-registrations was higher than expected for 2015 (540). Despite this, there was still a net gain of businesses of 235 (775 VAT registrations minus 540 VAT de-registrations).
- 1.2.6 In addition, the 3-year survival rate information is still awaited for 2015. However, it is highly unlikely that the target of 80% survival will be met, given that the original benchmark statistics referred to in 1.2.3 have been downgraded.
- 1.2.7 It is therefore, proposed that the targets relating to certain indicators are amended to reflect this in the following way:

3 YEAR SURVIVAL RATE

	Original Target	Proposed Target
2015	80%	68%
2016	82%	70%
2017	84%	72%
2018	85%	74%

% 16-64 CLAIMING OUT OF WORK BENEFITS

	Original Target	Proposed Target
2015	6.9%	6.0%
2016	6.8%	5.7%
2017	6.7%	5.6%
2018	6.6%	5.5%

1.3 Proposed Priorities for 2016/17

1.3.7 The priorities for 2017/18 are to some extent influenced by progress made in specific areas as well as the level of future financial resources.

- To work with Kent County Council to effectively market and promote the **Kent & Medway Business Fund Programme** in the Borough now that it has become operational.
- To continue to promote the new **LEADER Programme** to Tonbridge & Malling businesses and to co-ordinate business advice for prospective applicants.
- To work with the **Kent & Medway Growth Hub** and business support providers to help start-up businesses and aim to increase the 3 year survival rate.
- To deliver **skills development and work readiness initiatives** that support our young people and local businesses (dealt with as a separate item on this agenda)
- To increase communication with the local business community through the development of the **Tonbridge & Malling Business Bulletin**, the regular updating of the TMBC business pages and regular social media activity.
- To support the Tonbridge Town Team and other local traders groups with initiatives and events that **support our town and retail centres**.
- To work with Kent County Council in addressing remaining **broadband** issues and mobile blackspots in the Borough.
- To provide support, information and guidance on the local economic impact of **key infrastructure projects**, including the Leigh Flood Storage Area.
- To work closely with NIAB EMR on accessing government funding for the proposed **Bio-tech Hub at East Malling**.

1.4 Legal Implications

1.4.1 There are no legal implications arising from this report.

1.5 Financial and Value for Money Considerations

1.5.1 The priorities as set out above can be dealt with within existing Economic Development budgets.

1.6 Risk Assessment

1.6.1 Not Applicable.

1.7 Equality Impact Assessment

1.8 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.9 Recommendations

1.9.1 That the Borough Economic Regeneration Strategy Action Plan update, as set out in Appendix 1, **BE ENDORSED**.

1.9.2 That the amendments to the targets as set out in 1.2.7 **BE AGREED**.

1.9.3 That the priorities for 2017/18 as set out under 1.3.1 **BE AGREED**.

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:

Nil

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