

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.

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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.

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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.

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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