

Monday 12 October 2015, 5.00-7.00pm
Inspiration Suite, Village Hotel
Castle View, Forstal Road, Maidstone ME14 3AQ

AGENDA

		Page	Approx. time
1.	Welcome, introductions and apologies for absence	-	5.00
2.	Minutes of previous meeting and matters arising	2	5.05
3.	Lower Thames Crossing: Next stage of consultation	7	5.15
4.	Support for business: The Growth Hub and the new support landscape	10	5.45
5.	European Structural Funds: Progress update and future opportunities	12	6.05
6.	Future infrastructure investment: Planning for the next round of the Local Growth Fund	21	6.20
7.	Revisions to KMEP terms of reference	23	6.40
8.	Future meeting dates	30	6.45
9.	AOB	-	6.50

Kent and Medway Economic Partnership

KENT AND MEDWAY ECONOMIC PARTNERSHIP BOARD

12 October 2015

ITEM 2

MINUTES of a meeting of the Kent & Medway Economic Partnership (KMEP) held in the Innovation Suite, Village Hotel, Castle View, Forstal Road, Maidstone on 14 September 2015.

Board members present

BAB members

Geoff Miles (Chair)
Paul Barrett
Graham Brown
Miranda Chapman
Douglas Horner
Vince Lucas
Andrew Metcalf
Nick Sandford
Paul Winter

Local Authority elected representatives

Paul Carter, Kent County Council
Rodney Chambers, Medway Council
Martin Coffin, Tonbridge and Malling BC
John Cubitt, Gravesham Borough Council
Peter Fleming, Sevenoaks District Council
Jeremy Kite, Dartford Borough Council
Paul Watkins, Dover District Council
Fran Wilson, Maidstone Borough Council

Higher Education representative

Rama Thirunamachandran, Canterbury
Christ Church University

Further Education representative

Graham Razey, East Kent College

Apologies

Andrew Bowles, Swale Borough Council
Simon Cook, Canterbury City Council
Nicolas Heslop, Tonbridge & Malling Borough Council
Jo James, Kent Invicta Chamber of Commerce
Alan Jarrett, Medway Council
David Jukes, Tunbridge Wells Borough Council
Jon Regan

Officers in attendance

Allan Baillie, David Candlin, Ann Carruthers, Barbara Cooper, John Foster, Ross Gill, Mary Gillett, David Godfrey, Richard Hicks, David Hughes, Steve Humphrey, Abdool Kara, Tim Ingleton, Richard Longman, Susan Priest, David Smith, Louise Whitaker.

1. Welcome, introductions and apologies

Mr Geoff Miles, Chairman, KMEP welcomed those present to the meeting and received apologies, as set out above.

2. Minutes of previous meeting and matters arising

The minutes of the previous meeting were agreed as a correct record.

3. Future rail infrastructure

3.1. Following a brief introduction by Vince Lucas, Stephen Gasche, Principal Transport Planner – Rail, KCC made a presentation regarding the future for rail infrastructure in Kent and in particular the South Eastern Franchise [The full presentation is appended to these minutes online].

3.2 The Chairman thanked Stephen for the comprehensive overview he had provided and opened the floor for comments and questions and a full discussion was undertaken. In brief, the following points were made and information given in response to questions:

- i. Peter Fleming, Leader Sevenoaks DC, reported that his council had already begun to engage with relevant stakeholders re: the Metro extension of the Oyster scheme.
- ii. Vince Lucas advised the partnership that presenting a unified voice from Kent via the LEP / KMEP structure would help to influence the outcomes of the Governments consultation on the new franchise, and that it was important that comment was passed before the consultation began.
- iii. That parking needs and prices should be part of any consideration of future rail network needs;
- iv. That although a Kent to Gatwick link had not been viable the need for one should continue to be highlighted.
- v. That an audit should be undertaken of small stations in Kent where capacity was likely to increase as a result of planned development. This would add weight to representations to government for improvements and expansions. It was important that the latest figures for development and growth were used in any analysis.

It was agreed that work would be undertaken to influence the content of the consultation planned for June 2016 and further information would be returned to the Partnership as necessary.

4. Future workforce skills

The Partnership received a presentation from Mr Graham Razey regarding work undertaken to create a Workforce Skills Evidence Base and the findings to date [appended in full to these minutes online]. He reminded partnership members of the importance of bringing unemployment down within the 18 – 25 year age group in Kent, including reviewing why apprenticeships are undersubscribed.

He highlighted the questions for consideration set out within the document and assured members that the document was not final and any comments could still be incorporated. A full discussion took place and Graham was able to receive comments about a variety of issues including:

- i. That work should look beyond apprenticeships to also include traineeships

- ii. That more work should be done to encourage co-operation between businesses and local schools and further education providers and that in this liaison businesses must speak as one, particularly in Kent where the business economy was made up of many small and medium sized businesses. In addition to the age group targeted currently younger children should be engaged in order to help them realise the link between effort and reward at an early stage.
- iii. Schools must value, and be seen to value, vocational qualifications as highly as academic qualifications and league tables and inspections must mirror this regard.
- iv. That any new Skills Commission must be flexible enough to meet different needs in different parts of the Country and County and that was particularly relevant in areas of Kent that were geographically close to London and therefore had different needs.

It was agreed by consensus that KMEP would support the creation of a Skills Commission.

5. New Enterprise Zones

- 5.1 Ross Gill, Economic Strategy & Policy Manager, KCC, reported to the Partnership that, following the successful Enterprise Zone bid at Discovery Park the Government was seeking further bids.
- 5.2 The incentive package offered was as follows:
 - a. Business rate discounts for new occupiers.
 - b. Enhanced capital allowances for plant and machinery in Assisted Areas
 - c. Local business rate retention
- 5.3 Ten expressions of interest had been received which had been shortlisted to three:
 - North Kent Innovation Zone, including Ebbsfleet Garden City, Rochester Airport Innovation Park and Kent Medical Campus at Maidstone
 - Channel Tunnel Enterprise Zone, including a number of sites in Shepway; and
 - Port of Ramsgate and Manston Cluster.
- 5.4 Following a discussion of the potential applications it was agreed by consensus that the North Kent Innovation Zone and Channel Tunnel Enterprise Zone bids be submitted to Government and ranked in that order. It was further agreed by consensus that the Manston be not be supported for submission at this stage owing to a lack of information in the current submission. However the partnership was supportive of such a bid in the future.

6. Operation Stack: The cost to the Kent and Medway economy

- 6.1 The Partnership received a report presented by Ross Gill, Economic Strategy & Policy Manager, KCC, providing an update on the work done to date to mitigate the damage to the Kent economy of Operation Stack and future actions planned to mitigate that damage further. In particular, it was noted that:
 - i. A conservative estimate of the costs of the last implementation of operation stack was £46m but that work continued to identify the true costs in order to present a more rigorous case to government when representations were made for funding for a more permanent solution.

- ii. The temporary solution enforced by government; the use of Manston Airport as a Lorry Park during Operation Stack, would not provide a long term solution as it would move traffic problems from one part of Kent to another.
 - iii. Pressure from KMEP and other stakeholders must be maintained as the urgency subsides as each episode comes to an end.
 - iv. Traffic planning for any solution, short term or long term, would be critical to its success.
 - v. Dover Port should be encouraged to review the effectiveness of systems in place when operation stack was necessary as on the last occasion some ferries were not fully utilised when leaving shore.
 - vi. Businesses should assess the potential for legal action against the government for damages incurred during operation stack to further encourage them to find and fund a permanent, effective solution.
- 6.2 The Partnership supported continued work on the cost of, and potential alternatives to, Operation Stack.

7. Local Growth Fund monitoring report

- 7.1 The Partnership received a report from Mary Gillett, Major Projects Planning Manager, KCC providing an update on the progress of those schemes allocated funding through the Local Growth Fund. Ms Gillett spoke to the item and explained for members the current position of any scheme marked 'Red or 'Amber'. [A full list of schemes and there current ratings is appended to these minutes online]
- 7.2 The Partnership were asked to support the Rathmore Link Road Scheme by submission of a letter to that effect to the Secretary of State.

The information was noted.

8. The future of KMEP and the South East LEP: Progress report

- 8.1 The Partnership received a report, presented by Ross Gill Economic Strategy & Policy Manager, KCC, providing an update on the future of the South East LEP following proposals made to review its boundaries and structures. In particular he referred to the following:
- That the SELEP Appointments Panel had decided not to renew the contract of the former chairman.
 - That a submission, by letter had been made to Government regarding the desire of the federated members of SELEP to form independent area LEP's but no response had been received to date.
 - That should the breakup of SELEP not be supported by Government then it was proposed that the federated model in place be strengthened.
- 8.2 Partnership members supported efforts to date and encouraged businesses in particular to continue to make representations supporting such a realignment of geographical areas for the LEP.
- 8.3 It was agreed by consensus that meetings of KMEP be bi-monthly on the alternate month to the Kent Leaders meetings.

9. AOB

- 9.1 The partnership was reminded of the recent airport commission report and were encouraged by Douglas Horner to keep pressure on to ensure that recommendations made were not lost.

The meeting closed at 7:45pm.

Kent and Medway Economic Partnership

KENT AND MEDWAY ECONOMIC PARTNERSHIP BOARD

12 October 2015

ITEM 3

Subject: Lower Thames Crossing: Next stage of consultation

Board Lead: -

Report author: Ross Gill
Economic Strategy and Policy Manager, Kent County Council

Summary

In early 2016, the Department for Transport will begin consultation on potential route alignments for a new Lower Thames Crossing.

KMEP has previously expressed disappointment regarding the length of the consultation process and requested a Board discussion on the strong case for a new Crossing and further work that KMEP and partners could do to influence Government.

This paper therefore:

- a) Summarises the work that has been done to date and outlines the new consultation process;
- b) Seeks the views of the Board regarding potential route options; and
- c) Sets out further work that may be done to inform KMEP partners' response to the consultation.

The Board is recommended to note this report, consider whether it wishes to express formal support for one of the proposed route options and agree to review the economic impact assessments of the options developed to date in order to inform a response to the consultation.

1. Background

- 1.1. At present, heavy congestion at the Dartford Crossing is a barrier to growth in the Thames Gateway and impedes the UK's strategic road network. It also leads to poor air quality and noise pollution, impacting local businesses and residents.
- 1.2. Successive national and local studies have demonstrated that there is an overwhelming case for a new Lower Thames Crossing to relieve pressure at Dartford. This case has been accepted by the Government, which consulted in 2013 on three corridor options:

- Option A: An additional crossing at Dartford (costed at £1.2-£1.6 billion);
- Option B: A new crossing at the Swanscombe Peninsula (costed at £1.8-£2.2 billion); and
- Option C: A new crossing east of Gravesend (costed at £3.1-£3.2 billion). In addition, a variant to Option C, costing a further £1.8 billion, includes improvements to the A229 at Bluebell Hill to link the Thames Crossing with the M20 at Maidstone.

1.3. Following consultation, the Government rejected Option B. However, it is undecided between Options A and C and is undertaking further work to assess route options within these two corridors.

2. The next stage of consultation

2.1. It is anticipated that four route alignment options will be considered within corridors A and C. Highways England will undertake public consultation on these in early 2016, with a view to a Secretary of State decision later in the year.

2.2. Should construction begin in 2020/21, a new Lower Thames Crossing could be open by 2025.

3. KMEP's current position

3.1. KMEP has been clear that the construction of a Lower Thames Crossing is of vital importance to Kent and Medway and that the Government must reach an early conclusion on the preferred route. This position is set out in the Strategic Economic Plan.

3.2. At this stage, KMEP has not agreed a route preference. However, the majority of KMEP partners that have expressed a route preference have favoured Option C (or 'C variant') as providing the greatest economic benefits and journey distance reductions.

4. Responding to the consultation and influencing the outcome

4.1. A number of studies have been commissioned in recent years by national and local government to consider the relative benefits of potential crossing options. These included a study carried out by URS in 2012, which considered the regeneration impacts of options A, B and C, concluding that Option C offered the greatest employment and business benefits.

4.2. To inform KMEP's response to the consultation, it may be helpful to review the studies that have been completed to date. Building on this, there may be a case for additional work focusing on the relative economic benefits of the route options proposed by Highways England to supplement the Government's own analysis.

5. Recommendations

5.1. KMEP Board is recommended to :

- a) Consider this report;
- b) Consider the route options being considered by Highways England; and

- c) Agree to a review of the economic impact studies carried out to date in relation to Lower Thames Crossing route options, with a view to identifying any gaps in evidence that could usefully be filled in order to inform the Government's consultation.

Report author

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7 October 2015

Kent and Medway Economic Partnership

KENT AND MEDWAY ECONOMIC PARTNERSHIP BOARD

12 October 2015

ITEM 4

Subject: SUPPORT FOR BUSINESS: THE GROWTH HUB AND THE BUSINESS
SUPPORT LANDSCAPE

Board Lead: Jo James

Report authors: Ross Gill
Economic Strategy & Policy Manager, Kent County Council

Summary

This paper introduces the new Kent and Medway Growth Hub service, the contract for which has recently been awarded to Kent Invicta Chamber of Commerce.

Jo James will present to the Board on the scope of the new service, how it will be delivered, and its relationship with the wider business support landscape.

KMEP Board is recommended to note this report and the associated presentation.

1. Background

- 1.1. During the preparation of the Strategic Economic Plan, consultation with businesses highlighted a gap in the provision of consistent, independent information regarding the range of support offered by the public sector to business. Many of those consulted described the existing business support landscape as confusing and said that national and local products were insufficiently joined up.
- 1.2. Recognising this, the Government agreed to support a Growth Hub through the South East LEP Growth Deal, with the aim of:

“Raising awareness of the availability of local and national business support, providing a single access point for businesses and providing a diagnostic and signposting service to make sure that every business, no matter what its size or sector, knows what is available and can access the right support”

- 1.3. Within the South East, it has been agreed that Growth Hubs will be commissioned within each 'federated' area (Kent and Medway, Essex and East Sussex), with a limited amount of resource held centrally for monitoring and evaluation purposes.

2. The pilot Growth Hub in Kent and Medway

- 2.1. Following a competitive tendering process, a contract has been awarded for the delivery of a one-year pilot Growth Hub core service in Kent and Medway to Kent Invicta Chamber of Commerce. This will provide a central point of information about the business support services that are available, in addition to one-to-one navigation advice using telephone, face-to-face and internet-based channels. The Growth Hub core service will also help to provide a route to support services offered at local level.
- 2.2. The new Growth Hub core service will be launched in early November and Jo James will provide an overview of how the service will operate at the KMEP Board meeting.
- 2.3. In addition, a limited amount of funding (£140,000 across Kent and Medway) has been made available to local business support programmes offered via the local authorities, to address locally-identified needs and gaps in provision.

3. Continuing the pilot and KMEP's role

- 3.1. At present, there is only sufficient funding to run the Growth Hub service for one year. However, an application has been submitted (with other South East LEP partners) to the European Regional Development Fund to extend the Growth Hub into future years, and it is envisaged that additional sources of funding will be explored over the next few months.
- 3.2. In parallel, it is anticipated that regular information on the performance of the pilot will be reported to KMEP, to inform the design of any successor project. The Government has also requested a review of all local business support provision with a view to eliminating duplication and ensuring complementarity with national programmes. It is envisaged that this will be completed in the coming months and will also be reported to KMEP.

4. Recommendations

- 4.1. KMEP Board is recommended to note this report and the associated presentation.

Report author

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7 October 2015

Kent and Medway Economic Partnership

KENT AND MEDWAY ECONOMIC PARTNERSHIP BOARD

12 October 2015

ITEM 5

Subject: EUROPEAN FUNDING PROGRAMMES:
RECENT PROGRESS AND FUTURE OPPORTUNITIES

Board Lead: -

Report authors: Ron Moys
Head of International Affairs, Kent County Council

Shane Convey
External Investment Officer, Medway Council

Summary

This paper provides an update to the Board on the progress of the European Structural and Investment Funds programme, highlighting current project proposals that are particularly relevant to Kent and Medway. It also summarises recent developments and opportunities under other European funding sources, including Interreg. Annex 1 provides a list of Kent and Medway projects that are currently in the pipeline across all European Union funding sources.

1. The European Structural and Investment Funds

Background

1.1. For the period 2014-20, some €185 million has been indicatively allocated to the South East LEP area from the European Structural and Investment Funds (ESIF). The sterling value of the programme is subject to exchange rate fluctuations: currently, the programme is valued at £131.4 million. This funding is divided between three funds, as follows:

- **European Regional Development Fund** to support innovation, competitiveness and the development of a low carbon economy;
- **European Social Fund**, enabling employability and skills support and social inclusion projects;
- **European Agricultural Fund for Rural Development**, to support the growth of the land-based economy.

- 1.2. Following a complex and somewhat frustrating start, good progress is now being made in allocating funding. A number of proposals have come forward from Kent and Medway, as the following paragraphs outline.

European Regional Development Fund (ERDF)

- 1.3. ERDF funding is allocated to projects through an open bidding process, with proposals sought in response to specific project calls. All projects must be able to provide at least 50% match funding. The Department for Communities and Local Government (DCLG) is responsible for issuing calls and approving projects, although the ESIF Committee established at LEP level advises on the strategic fit of proposals, linked with the South East's ESIF Strategy approved in 2014.
- 1.4. The first two calls for projects for ERDF funding have now taken place. Four projects have been submitted with particular relevance to Kent and Medway (in addition to a number of other schemes operating across the South East LEP area from which Kent and Medway businesses may benefit:

LOCASE (Low Carbon South East): Offering business support and financial assistance to enable growth in the low carbon and environmental goods and services sector and to support the shift to a lower carbon economy. The outline application has been approved, and a full application was submitted on 30 September.

Inward Investment: Supporting additional activity to attract foreign direct investment into Kent and Medway, in particular to attract and retain investment in the bioscience sector. The outline application has been approved, and a full application was submitted on 30 September.

Innovate to Succeed: Led by the University of Greenwich in partnership with Innovate UK, this will provide support and coaching to innovative SMEs. The outline application has been approved, and a full application was submitted on 30 September.

South East Growth Hub: LEP-wide proposal to take forward additional activities that will sustain the new Growth Hubs in the longer term. Outline application submitted on 25 September.

Growth Hub Business Finance: Programme of loan finance (operating on the TIGER/ Escalate/ Expansion East Kent model) to support businesses with the appetite and capacity for growth. Outline application submitted 25 September.

- 1.5. At this stage, no projects have yet been fully approved. However, it is very likely that funds will start to become available in the first half of 2016.

European Social Fund (ESF)

- 1.6. ESF funding requires at least 50% match funding. In the South East, it is primarily co-financed by the Department for Work and Pensions (DWP), the Skills Funding Agency (SFA) and the Big Lottery Fund (BLF). There is also around £12 million funding that is currently unmatched. DWP has overall responsibility as the managing authority for ESF, and the co-financing organisations have considerable control over contract specifications. The following paragraphs summarise the activities likely to be supported by ESF with the DWP, SFA and BLF:

Department for Work and Pensions

- 1.7. DWP/ ESF is likely to be a single £9 million contract to deliver services across Kent and Medway, Essex and East Sussex. This is likely to be focused on supporting unemployed people to secure and keep jobs, particularly in priority sectors of the regional economy. There will be scope for bidders to influence the exact service design and delivery mechanisms.
- 1.8. It is likely that only the large welfare to work prime providers will be able to develop successful proposals for a single contract across this geography. There is a risk that smaller providers – often with a better understanding of the local context – may find it difficult to compete. To address this, Medway Council has become a strategic partner with a number of medium-sized charities across the South East to form a non-profit joint venture. Work is underway to develop a bid proposal to be submitted in December.

Big Lottery Fund

- 1.9. For the first time, BIG Lottery Fund is matching funding with ESF to commission £16 million of services. Their projects support the hardest-to-reach client groups and commissioning will favour the voluntary sector. Due to EU rules, any organisation, including local authorities, is eligible to apply.
- 1.10. The LEP has done well to reach a final agreement that there will be separate contract packages North and South of the Thames. In Kent, Medway and East Sussex there will be six grants in focused on health, mental health, lone parents, sustaining employment, carers, and older people.
- 1.11. The charities BLF wants to target are unlikely to be financially robust enough to lead any of these bids, and there is a risk that contracts could be taken by larger agencies from outside the area. Discussions have taken place regarding Kent County Council taking on a lead role in respect of the larger bids, with direct delivery subcontracted to smaller voluntary sector providers.

Skills Funding Agency

- 1.12. The SFA is likely to commission seven specifications with a total contract value of £30 million. The service offers are likely to include higher skills, support around apprenticeships, support for graduates and helping people to navigate skills provision.
- 1.13. The scope of the SFA/ESF specifications is yet to be determined. Following the release of specifications in November, there will probably be an intensive period of service design and pricing during November.
- 1.14. Overall, local authorities are well placed as potential sub-contractors for ESF funded contracts, and can have a high level of influence over service design post-specification. Medway Council and KCC are likely to be involved in bids, with the opportunity for direct delivery and additional budget savings.

European Agricultural Fund for Rural Development (EAFRD)

- 1.1. A call for outline applications to the EAFRD took place in the spring, targeted at agricultural businesses seeking funding to support expansion. Following the first call, 10 projects were invited to come forward to full application by the end of September – eight of these, with a combined value of £649,000 were in Kent. This positive response particularly reflects the success of Kent's LEADER programmes in building a strong pipeline of projects and promoting the programme.
- 1.2. These projects are expected to reach contract stage by January 2016.

Community Led Local Development (CLLD)

- 1.3. A limited amount of ESIF funding is available to support Community Led Local Development programmes. These are programmes targeted at specific geographical areas with high levels of social need, providing targeted interventions that could not be delivered through other mechanisms.
- 1.4. A call for proposals is expected soon. The only interest expressed in Kent and Medway so far is for a programme led by the voluntary sector focused on Dover and Ramsgate.

2. Other European funding sources

Leader

- 2.1. Following the success of the two previous Leader programmes in Kent and Medway, approval has been secured for three new programmes to support rural development. These are:
 - Kent Downs and Marshes: £1.886 million
 - West Kent: £1.813 million
 - East Kent: £1.586 million
- 2.2. All three programmes are now approved and operational, and will be open to funding applications shortly.

Interreg

- 2.3. Kent and Medway has historically benefited significantly from Interreg, which supports cross-border projects with economic, social and environmental benefits. At the time of writing, projects with a total funding request of £7.89 million have been successfully submitted from Kent and Medway organisations. A full list of these (as well as the project proposals that have not been successful) are listed in Annex 1.

Connecting Europe Facility (CEF)

- 2.4. The Connecting Europe Facility is a capital fund designed to support transport infrastructure investment that will benefit cross-border travel. Significant sums are available from CEF, which is the only European major capital investment fund accessible in Kent and Medway.
- 2.5. Following a call for projects earlier this year, three schemes with a total value of £44.25 million have been approved subject to contract, including significant investment at Port of Dover.

3. Next steps and recommendations

- 3.1. There are significant opportunities associated with European funding. While it has been a complex and lengthy process to bring forward the ESIF programme in the South East, there are real opportunities to secure funding for economic growth, employment and skills, which partners in Kent and Medway are actively pursuing.
- 3.2. The Board is recommended to note this report.

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9 October 2015

ANNEX 1: Current European funded project proposals: Status report

Project	Organisation/Contact	Grant sought	Project Summary	RAG Status after Stage 1 Outline Applications
Interreg 5A 2 Seas Programme				
ISE (Innovative Sector Exchange)	Kent County Council – Steve Samson	£296,000	A business support project to help Kent companies innovate and internationalise by connecting them to SMEs in nearby European partner regions to promote collaborations and innovation	Phase 2 Full Application submitted in July 2015 (Amber)
FUSION 2	Kent County Council – Adam Morris	£600,000	Accelerating the transition to a circular and low carbon economy through support to SMEs	Phase 2 Full Application submitted in July 2015
CRCL (Climate Resilient Coastal Landscape)	Kent County Council – Sarah Anderson	£588,000	To increase the resilience to climate change of landscapes in Kent with a focus on areas where ecosystem services are particularly vulnerable to environmental change	Phase 2 Full Application submitted in July 2015
SenSup (Social innovation in the local food & healthcare sector: short supply chain strategy for institutional kitchens)	Produced in Kent – Ed Martin	£210,000	Focused on the potential for supply, distribution and greater use of local foods in the healthcare sector	Phase 2 Full Application submitted in July 2015 (Green)
DWELL (Diabetes and WELLbeing)	International Health Alliance – Alice Chapman-Hatchett	£525,000	To encourage people with poorly controlled diabetes to make sustainable changes to health and wellbeing related behaviour.	Phase 2 Full Application submitted in July 2015
EDUCAT	University of Kent	£1,505,000	Empowering disabled people through assisted technology.	Phase 2 Full Application submitted in July 2015
INCASE	University of Kent/University of Greenwich	£1,769,000	Facilitate smart growth through the development of automation technologies.	Phase 2 Full Application submitted in July 2015
AGREE (Alternative financing for retrofit and energy efficiency)	Kent County Council – Carolyn McKenzie	£240,000	A financing scheme for domestic energy efficiency measures.	Rejected at outline stage (Red)
A-Shore (Adapting to Support Holistic Resilience)	Kent County Council – Christine Wissink	£360,000	To support Kent Community resilience to climate change linked to key KCC services.	Rejected at outline stage.
TradeSmart 2-Seas	Kent County Council – Elizabeth Raiser	£840,000	To help SMEs to understand and comply with EU (and UK) regulations and legislation and educate	Rejected at outline stage

			consumers about	
CLEANTECH 2	University of Kent	£607,400	Decreasing emissions from industry, road and maritime transport.	Phase 2 Full Application submitted in July 2015
SETS	Tomorrow's People	£1,400,700	Engaging with long-term unemployed citizens through Sector Skills Academy model	t.b.c
Greenpeas	East Malling Research	£525,000	Improve the reliability and efficacy of bio-pesticides in crop production.	t.b.c
EPICE	Thanet DC/Port of Ramsgate	£3,500,000	Transform port operations towards the circular economy.	t.b.c
SEANERGY	Thanet DC/Port of Ramsgate	£2,450,000	To strengthen capacity of port clusters,, promote inter port cooperation platform and shared online training resources.	t.b.c
North Sea Pearls	Cyclopark Trust	N/K	Promote low carbon tourism	Rejected at outline stage
HYDROPT	East Malling Research	N/K	Increase efficiency and profits within the horticultural supply chain	Rejected at outline stage
GET (Growing the Entrepreneurs of Tomorrow)	Canterbury CC	N/K	Supporting young people to become entrepreneurs	Rejected at outline stage
TWIN SHOPS	West Kent and Ashford College	N/K	Support inexperienced young people in finding work placements	Rejected at outline stage
REMIND ME	Historical Research Group Sittingbourne	N/K	Improve heritage access for vulnerable people	Rejected at outline stage
Interreg 5A France-England Channel Programme				
CHEFS (Channel Hub for Enhancing Food Specialties)	Produced in Kent – Stephanie Durling	£233,700	A project to increase the contribution of protected food marks to the local economy, add value to the food & drink sector products and help over 200 agri-food SMEs innovate and reach new markets	Phase 2 Full Application to be submitted.
Student Entrepreneurs	Kent Science Park – Richard Wheeler	£53,600	Increase the creation of enterprises by students, including through youth entrepreneurship.	Phase 2 Full Application to be submitted.
ADAPT	International Health Alliance – Alice Chapman-Hatchett	£1,131,500	Development of innovative assisted technology for people with severe cognitive and physical disabilities.	Phase 2 Full Application to be submitted.
Give Trades	University of Greenwich – Andres Coca-Stefaniak	£173,000	Using traditional markets as a catalyst for job creation, skills development and growth through the visitor economy.	Phase 2 Full Application to be submitted.
FORVAL	Kent County Council –	£150,000	Delivering sustainable ecosystem services in forested	Rejected at outline stage

	Matthew Morris		habitats.	
Coastal Treasures	Kent County Council – Paul Cuming	£110,000	To make coastal heritage assets more attractive and increase visitor numbers	Rejected at outline stage
STAR	Kent County Council (with Visit Kent)	£200,000	To develop sustainable tourism and increase visitor numbers to lesser-known rural areas	Rejected at outline stage
Interveg	East Malling Research/Plant Works	£653,000	Transfer of technology in vegetable production	Rejected at outline stage
Live-O	Creative Foundation	£352,000	Strengthen outdoor arts events sector	Rejected at outline stage
Surfas	University of Kent	£203,000	To improve quality of wi-fi communications.	Rejected at outline stage
Artifact	University of Creative Arts	£517,000	Improve youth employability in the cultural and creative industries	Rejected at outline stage
Interreg 5B North West Europe (NWE) Programme				
Boost4Health	Kent County Council (with Locate in Kent) – Steve Samson	£197,000	A project to connect Kent's new life science cluster and companies from different European countries and support them in their export journey by providing access to relevant expertise and business contacts through an innovation voucher scheme	Phase 1 submitted
SEPRUMO	Kent County Council – Elizabeth Raiser	£455,000	To increase the shift from individual car use to low carbon transport solutions in rural and peri-urban areas.	Rejected at outline stage
South East LEP ESIF Programme (ERDF)				
I3 (Innovation Investment Initiative)	Kent County Council – Ross Gill	£6,950,000	To establish a loan fund for SMEs with innovative potential operating across the South East LEP area.	Outline application submitted 25 September 2015
LOCASE (low carbon across the South East)	Kent County Council – Chris Seamark	£2,500,000	A business support project for supporting the shift towards a low carbon economy in all sectors.	Full application to be submitted by 30 September 2015
Inward Investment	Kent County Council – David Hughes	£1,840,000	A joint project with Locate in Kent to retain and attract investment into the life science sector, including the development of the emerging Biogateway Kent Life Science Cluster.	Full application to be submitted by 30 September 2015
I2S (Innovate to Succeed)	University of Greenwich	£500,000	To provide tailored support to SMEs to help them enhance their innovation management capability including in depth diagnostic assessment and a bespoke package of support.	Full application to be submitted by 30 September 2015
South East LEP ESIF Programme (EAFRD)				

Charrington's Cider	Charrington Fruit Farms – Alex Charrington	£69,600	Installation of a cider press, fermentation tanks and bottling operation.	Full application to be submitted by 30 September 2015
Biddenden Fruit Handling and Contract Processing	Biddenden Vineyards – Richard Barns	£59,200	Purchase and installation of new fruit handling and pressing machinery.	Full application to be submitted by 30 September 2015
Bax Farm Smoothies	Bax Farm – Oliver Doubleday	£47,600	Purchase of fruit juice processing equipment to aid start-up venture for apple, pear and cherry juice.	Full application to be submitted by 30 September 2015
Simpson's Wine Estate Business Growth	Simpson's Wine Estates – Ruth Simpson	£105,000	Conversion of 2 agricultural buildings into a winery.	Full application to be submitted by 30 September 2015
Berryplants Soft Fruit Breeding & Propagation Facility	Berryplants Ltd – Tony Bentley	£108,300	New facility to integrate a glasshouse and poly tunnel breeding and propagation site.	Full application to be submitted by 30 September 2015
Strawberry Puree Manufacturing	Fourays Farm Ltd – Phil Acock	£68,600	Purchase and installation of a second hand pasteurising line	Full application to be submitted by 30 September 2015
Moor Organics Carbonator & Pasteuriser	Moor Organics Ltd – Nicholas Moor	£84,000	Purchase and installation of a carbonator and tunnel pasteuriser processing line.	Full application to be submitted by 30 September 2015
Gusbourne Estate Winery Expansion	Gusbourne Estate Ltd – Ben Walgate	£107,100	Extension to existing winery and construction of a visitor/retail centre.	Full application to be submitted by 30 September 2015
Connecting Europe Facility (CEF) Programme				
Ashford Spurs	Kent County Council - Dafydd Pugh/Stephen Gasche	£1,900,000	Re - signalling at Ashford International Station to allow existing and future international trains to stop at the station	Project approved
BRIDGE	Port of Dover	£18,900,000	Maritime and civil works – including new quay walls, dredging, land reclamation to create additional freight vehicle capacity.	Project approved
BRIDGE	Port of Dover	£23,450,000	Financing of refrigerated cargo terminal in Dover and relocation of cargo operations to initiate port-centric distribution and utilise empty backloads.	Project approved

Projects with a 'green' rating have been recommended to develop full stage 2 applications. 'Amber' projects are also mostly being developed into full applications but the Managing Authority has raised significant issues to be addressed, or projects have been recommended to apply to a later Call. 'Red' applications have been rejected by the programme authorities, often because they did not meet the new programmes' increased emphasis on economic growth and job creation.

Kent and Medway Economic Partnership

KENT AND MEDWAY ECONOMIC PARTNERSHIP BOARD

12 October 2015

ITEM 6

Subject: FUTURE INFRASTRUCTURE INVESTMENT:
PLANNING FOR THE NEXT ROUND OF THE LOCAL GROWTH FUND

Board Lead: -

Report authors: Ross Gill
Economic Strategy & Policy Manager, Kent County Council

Summary

This report outlines the potential for additional investment through the Local Growth Fund and seeks early views from the Board regarding the focus of any future LGF round. The Board is recommended to consider this report.

1. Introduction

- 1.1. To date, some £152 million has been allocated to projects in Kent and Medway under the first two rounds of the Local Growth Fund. This has mostly supported transport schemes (supplemented by an additional skills capital fund). KMEP Board considered a report on implementation at the last meeting and will receive regular monitoring.
- 1.2. The Local Growth Fund was established as a six year capital programme, with a total value of £12 billion (i.e. £2 billion per year). Around £7 billion has been allocated, leaving around £5 billion notionally available. However, formal Government commitment has only been made to projects starting in 2015/16: allocations for future years are at this stage indicative.
- 1.3. It is unclear at present whether there will be a third LGF round, and how much the Government may release through it. However, the Government may announce additional funding following the Autumn Statement at the end of November. Based on previous experience, it is likely that any window of opportunity to submit proposals will be fairly brief.

2. Planning for a third round of funding: A suggested approach

Transport projects

- 2.1. The Department for Transport is the largest contributor to the Local Growth Fund, and it is likely that transport investment will be a priority for the Fund in any future round. Following

Rounds 1 and 2, there is a strong pipeline of potential transport schemes. Work is ongoing to develop an initial evaluation methodology against which these can be considered for Round 3 applications. This will be brought to KMEP Board in December along with the current pipeline of schemes, and it would be helpful if KMEP partners could highlight any additional potential schemes that they are aware of.

Skills Capital

- 2.2. Funding for skills capital investment has been managed as a single programme across the South East LEP area on the advice of the Skills Funding Agency. This arrangement has worked successfully, and is likely to continue under any future round.

Other projects

- 2.3. Relatively little LGF funding has been made available for other non-transport schemes, although there are two projects (Folkestone Seafront and Rochester Airport) that will start in 2016/17. Nationally, other LEPs – such as Coast to Capital - were successful in securing LGF funding for capital schemes to promote links between business and R&D institutions and innovation and incubator facilities, where strong business cases were put forward.
- 2.4. Following Rounds 1 and 2, KMEP noted that a single evaluation methodology covering both transport and non-transport schemes is probably inappropriate, given the difficulty in making direct comparisons between the outputs of different types of scheme. It may therefore be appropriate to design a separate evaluation methodology for non-transport schemes so that these can then be considered against a specific call for projects, should a third round of LGF be announced. At this stage, it would be helpful to have a view from the Board regarding the broad types of scheme that the Board would like to see come forward, so that an appropriate evaluation methodology can be designed for the Board's consideration in December. Based on previous experience, there is unlikely to be strong guidance forthcoming from Government, although the Government's focus is likely to be on delivering *Fixing the Foundations*, the national productivity plan published in the summer.

3. Recommendations

- 3.1. The Board is recommended to consider this report and in particular to provide early advice regarding the type of non-transport capital projects that the Board would like to see come forward in any future round.

Report author:

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8 October 2015

Kent and Medway Economic Partnership

KENT AND MEDWAY ECONOMIC PARTNERSHIP BOARD

12 October 2015

ITEM 7

Subject: REVISIONS TO KMEP TERMS OF REFERENCE

Board Lead: -

Report authors: Ross Gill
Economic Strategy and Policy Manager, Kent County Council

Summary

This paper proposes changes to the terms of reference for KMEP. The Board is recommended to approve the proposed changes.

1. Background

- 1.1. Earlier this year, KMEP Board decided, as part of *The Compelling Case for Change*, to amend the membership of the Board so that it would include all local authority Leaders. It was also agreed that business representation on the Board should increase, to ensure that the current balance between business and local authority representation is maintained.
- 1.2. In accordance with this decision, it is proposed that Section 4.1 of the terms of reference is amended. The proposed changes are highlighted in red in Annex 1. These mean that the Board will now consist of:

Business representatives (including Chair):	16
Leader of Kent County Council:	1
Leader of Medway Council:	1
Leaders of Kent District Councils:	12
Higher education representative:	1
Further education representative:	1
<u>Total Board membership:</u>	<u>32</u>

2. Recommendations

- 2.1. The Board is recommended to note this report. Under the terms of reference, the support of 75% of existing Board members is required for the amendments to the terms of reference to take place.

Report author:

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8 October 2015

9 October 2015

ANNEX 1

Kent and Medway Economic Partnership

TERMS OF REFERENCE

Revised ~~March-October~~ 2015**1. Purpose**

- 1.1. This document sets out the terms of reference for the Kent and Medway Economic Partnership.

2. Aims and functions of the Kent and Medway Economic Partnership

- 2.1. The Kent and Medway Economic Partnership (KMEP) is a private-public body which aims to drive forward economic growth and prosperity in Kent and Medway.
- 2.2. In pursuit of these aims, the Partnership shall:
- a) Approve, drive forward and monitor a strategic economic plan for Kent and Medway;
 - b) Consider strategic economic investment priorities through funds such as the Single Local Growth Fund, European structural and investment funds and other public funding sources that may become available;
 - c) Consider and develop responses to new economic opportunities and challenges in Kent and Medway;
 - d) Maintain strategic oversight of the use of all funding devolved from the South East Local Enterprise Partnership to Kent and Medway;
 - e) Ensure a strong voice for Kent and Medway business and government at national and regional level, including through the South East LEP.

3. Governance

- 3.1. The Partnership shall be governed by a **Partnership Board**, which shall fulfil the functions set out in para. 2.2.

4. Membership of the Partnership Board

- 4.1. The Board shall consist of ~~20~~ 32 members, as follows:

- Business representatives (~~10~~ 16)
- The Leader of Kent County Council (1)

- The Leader of Medway Council (1)
- Leaders of Kent District Councils (~~6~~ 12)
- Higher education representative (1)
- Further education representative (1)

4.2. The Board shall seek to ensure a balanced representation of businesses and local authorities, reflecting Kent and Medway's geography and the diversity of its business base (by size and scale).

4.3. Should a Board member be unable to attend a Board meeting, s/he may nominate an Alternate to take his/her place. In such cases, the Board member should notify the Chairman in advance, via the Secretariat.

4.4. Members may resign from the Board by giving no less than 20 working days' notice to the Chairman and Secretariat. Should a member resign, s/he shall be replaced according to the balance of representation in 5.1.

5. Quorum

5.1. The quorum of the Board shall be 12 of which no fewer than 6 shall be business representatives.

5.2. Should a Board meeting not be quorate, the Chairman may arrange a Special Meeting of the Board to deal with outstanding business, or may allow business to adjourn to the following ordinary Board meeting, or may allow Board members to convey their views electronically to all the other Board members via the Secretariat.

6. Chairman

6.1. The Board shall elect a Chairman through the process outlined in Section 11. The Chairman shall serve as both Chairman of the Board and Chairman of the Partnership.

6.2. The Board may also elect a Vice-Chairman.

6.3. Both the Chairman and the Vice-Chairman shall be business representatives.

6.4. The Chairman shall preside at meetings of the Board. In the absence of the Chairman, the Vice-Chairman shall preside. In the absence of the Chairman and the Vice-Chairman, the Board shall elect any Member of the Board to act as Chairman for that meeting only.

7. Other participants

7.1. With the prior agreement of the Chairman, Other Participants may attend meetings of the Board. Other Participants may include representatives of agencies with a significant economic role, such as (*inter alia*) the Environment Agency, the Homes and Communities Agency or the Skills Funding Agency.

- 7.2. Other Participants may, at the discretion of the Chairman, participate in discussion (subject to the Conflicts of Interest procedure set out in 8 below. However, they shall not be considered to be members of the Board.
- 7.3. Officers shall also attend Board meetings where they are presenting papers or other information for the Board's consideration.

8. Conflicts of interest

- 8.1. A Register of Interests shall be held by the Secretariat. Members shall be responsible for ensuring that the Secretariat is informed of any changes that should be made to the Register of Interests. The Register will be available for public scrutiny.
- 8.2. Should a Board Member become aware that s/he has any interest, direct or indirect, in any matter being considered by the Board, then s/he shall: -
 - (a) disclose the interest to the meeting and not take part in any consideration or discussion of the matter or vote in any questions with respect to it; and
 - (b) unless the meeting invites him/her to remain, withdraw from the meeting.
- 8.3. The rules in 8.2 apply whether or not the interest concerned is already set out in the Register of Interests.
- 8.4. However, the rule in 8.2 above does not apply where the interest concerned relates primarily to the general interest of any public sector Member in his/her area of geographical responsibility, or to the interests of Kent and Medway as a whole.
- 8.5. The rules in 8.2 also apply to any Non-Voting Participant, save that Non-Voting Participants do not have voting rights.

9. Secretariat, minutes and agenda-setting

- 9.1. The Secretariat of the Board and the Partnership shall be carried out by Kent County Council.
- 9.2. In exercising this function, the Secretariat shall work with a KMEP **Joint Management Group (JMG)**. The JMG shall consist of chief executives (or other senior officers as delegated) from Kent County Council, Medway Council and at least six District Councils, and shall consider both forthcoming agenda items and the strategic monitoring of actions determined by the Board.
- 9.3. The agenda for the Board meeting shall be agreed by the Chairman prior to circulation.
- 9.4. The agenda and papers for the Board meetings shall be circulated to the Board by the Secretariat not less than five working days before each Board meeting.
- 9.5. Draft minutes of meetings of the Board shall be prepared by the Secretariat and circulated to Board Members within 10 working days after each Board meeting.

- 9.6. Draft minutes shall be approved by the following meeting of the Board. Once approved, they shall be made publicly available (see Transparency, section 11).

10. Making recommendations

- 10.1. The Board does not have delegated authority to make decisions regarding the use of public funds. However, the Board may provide a strategic partnership view on priorities for, or the use of, public funds and may make recommendations to local and central government and their agents.
- 10.2. In considering priorities and performance and in making recommendations, the Board shall at all times aim to reach consensus. Where consensus is not possible, the Board may set out majority and minority opinions.

11. Voting

- 11.1. The Board may vote on the following matters:
- a) Variation to the Terms of Reference of the Partnership and Board;
 - b) Election of the Chairman or Vice-Chairman;
 - c) Termination of the Partnership and Board
- 11.2. Determination of these matters shall require the support of at least 75% of Board members present.

12. Sub-groups

- 12.1. The Board may from time to time establish sub-groups. In such circumstances, the terms of reference for any sub-group shall be approved by the Board.

13. Transparency

- 13.1. The Board shall seek to operate in an open and transparent manner.
- 13.2. Meetings of the Board shall be open to the public and notification of future meetings shall be publicised via the KMEP website (and those of partner organisations as appropriate).
- 13.3. Following approval by the Board, minutes shall also be made publicly available via the websites of KMEP (and those of partner organisations as appropriate).
- 13.4. The Freedom of Information Act 2000 shall apply to Board papers and to records of the Board's discussions.

14. Annual Report and Annual General Meeting

14.1. The Board shall consider and approve an Annual Report, setting out the activities and membership of the Partnership and the Board over the course of the year, and its anticipated focus for the year ahead. This shall be publicly available and disseminated widely.

14.2. In addition, the Partnership shall hold an Annual General Meeting, reporting on the Partnership's activities over the course of the year.

15. Frequency of Board meetings

15.1. The Partnership Board shall meet at least 4 times per year. It may meet more frequently if business needs dictate, at the discretion of the Chairman.

15.2. Board meetings shall be scheduled and located in such a way that the business of the Board can be expedited efficiently.

16. Termination

16.1. The Board may decide to terminate the activities of the Board and Partnership, subject to the provisions in para. 10.4.

17. Indemnity

17.1. Unless otherwise indemnified by the organisations of which they are representatives, Kent County Council shall indemnify the members of the Board in respect of all decisions made by the Board.

18. Variation to Terms of Reference

18.1. The Board may decide to vary its Terms of Reference, provided the procedure in Section 11 is followed.

Approved by the Board of the Kent and Medway Economic Partnership

~~23 March~~ 12 October 2015

Kent and Medway Economic Partnership

KENT AND MEDWAY ECONOMIC PARTNERSHIP BOARD

12 October 2015

ITEM 8

Subject: FUTURE KMEP MEETING DATES

At the last meeting of KMEP Board, it was decided that Board meetings will now take place every two months.

All to be held at the Village Hotel, Maidstone at 5pm:

1 December 2015

4 February 2016

11 April 2016

14 June 2016

1 August 2016

4 October 2016

12 December 2016