

**Kent & Medway Business Advisory Board**  
**Thursday 10<sup>th</sup> May, 8.00 – 10.30 am in the Inspiration Suite**  
**@ The Village Hotel, Maidstone**

**Light breakfast from 7.30 am**

**Programme**

<b>08:00</b>	<b>1</b>	<b>Welcome and Introductions</b>	Geoff Miles, Chair
<b>08:05</b>	<b>2</b>	<b>Review of actions arising since the last meeting</b>	Sarah Nurden, KMEP Geoff Miles, Chair
<b>08.10</b>	<b>3</b>	<b>Economic Commentary</b>	All
<b>09:10</b>	<b>4</b>	<b>Kent and Medway Growth Hub achievements to date and lessons learnt</b> Tudor Price, Deputy Chief Executive of the Kent Invicta Chamber of Commerce is responsible for delivering the Kent and Medway Growth Hub contract. Funded by the Department of Business, Energy and Industrial Strategy, the Chamber delivers the services locally under contract to KCC.	Tudor Price, Deputy Chief Executive, Kent Invicta Chamber of Commerce
<b>09:40</b>	<b>5</b>	<b>Kent MPs Summit – July 2018</b> Sarah will ask a series of questions about the agenda and format of the Summit.	Sarah Nurden, KMEP
<b>09.50</b>	<b>6</b>	<b>General Data Protection Regulation (GDPR)</b> You will be aware that GDPR comes into effect on 25 May and it is a requirement that all BAB members must opt in for KCC, BAB, KMEP & SELEP to continue to hold your personal information.  A consent form will be available at the meeting for BAB members to express their preferences with regard to the retention of personal data. It will be circulated electronically following the meeting to those that were unable to attend.	A consent form will be circulated for members to sign, if they so wish.
<b>10.00</b>	<b>7</b>	<b>Report from events attended by BAB members</b> 1. Workshop on “Planning for Future Water Resources” – South East Companies’ Joint Consultation Event on Wednesday 18 <sup>th</sup> April.  2. Delivering Design Quality in Kent and Medway.	Douglas Horner/Nick Sandford  Nick Fenton
<b>10.15</b>	<b>8</b>	<b>Summing Up</b>	Geoff Miles

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**Future Meeting Dates - 2018/19**

**Business Advisory Board (BAB) Meeting**

- Thurs 5 July 2018
- Thurs 13 September 2018
- Thurs 8 November 2018
  
- Thurs 10 January 2019
- Thurs 7 March 2019

All from 8.00 – 10.30am (with light breakfast at 7.30am) in the Inspiration Suite at the Village Hotel, Maidstone.

**Kent & Medway Economic Partnership (KMEP) Board Meeting**

- Mon 21 May 2018
- Mon 16 July 2018
- Mon 24 September 2018
- Mon 26 November 2018
  
- Mon 28 January 2019
- Mon 25 March 2019

All meetings will be held at the Village Hotel, Maidstone from 5.00 – 7.00pm.

**South East Local Enterprise Partnership (SELEP) Strategic Board Meeting** (all on Fridays from 10.00am – 12 noon at High House Production Park, Purfleet)

- 29<sup>th</sup> June
- 28<sup>th</sup> September
- 7<sup>th</sup> December
- 22<sup>nd</sup> March 2019

## Notes of the Kent and Medway Business Advisory Board – 8 March 2018

The Business Advisory Board meets bi-monthly and provides an insight from the business community in Kent and Medway on current trading conditions and experience of the local economy. The headline points are presented below and the full meeting note follows.

### Highlights from Economic Commentary

- The commercial property market continues to suffer, with a lack of stock available, and with rents and land values rising.
- There are also ongoing shortages of quality commercial floorspace, and significant losses of floorspace under PDR to other uses, especially residential.
- Recent GDP forecasts for the UK are being revised downwards, and there are increasing wage pressures and rising inflation, and concerns about availability of talent.
- However, significant numbers of businesses are forecasting growth, and although cash margins are not so good, credit appetite and approvals remain high.
- GDPR requirements will be challenging for many small businesses over the next couple of months.
- Brexit uncertainties continue to loom in the agricultural sector, especially in relation to the future of subsidies and the availability of labour.
- There continues to be skills pressures in the creative sector, and more Kent people are moving from London to jobs based in Kent.
- Brexit is a big issue for the haulage industry, especially with regard to drivers' qualifications and registrations.
- The eight Clinical Commissioning Groups in Kent seem likely to merge, but delays at government level mean that there are continuing financial pressures in the health sector and growing waiting lists.

### 1. Welcome and Introductions

The Chairman welcomed attendees to the meeting.

### 2. Review of actions arising since the last meeting

The action updates were incorporated in the minutes.

### 3. Economic Commentary

**Bernard Spring (North Kent Enterprise Zone)** – There is a presentation later in the meeting about the North Kent Enterprise Zone, so no further comments to add.

**William Hinkley (BTF Partnership)** – The commercial property market is still suffering. There is a lack of stock available, and rents and land values are rising, and there is little development going on. PDR is also leading to a diminishing supply. Farmers are nervous about Brexit, although so far the commercial market seems less concerned.

**James Beaton (Cripps LLP)** – On the business side there are strong transactions, and businesses are confident, especially the M&A market. There has been a spike in commercial activity and a growing interest in GDPR. Both real estate and development are holding up. However, the retail market is tough and there are more insolvencies.

**Iain Hawthorn (HSBC)** – A personal plea for the important guilds initiative. Membership of the Financial Services guild is increasing, and is working with more schools especially with the Young enterprise initiative. HSBC has revised its UK GDP forecasts downwards and there are increasing wage pressures and rising inflation, and concerns about availability of talent. However, more businesses are forecasting growth, and although cash margins are not so good, credit appetite and approvals remain high. There are 15 months left to Brexit, which is a short time to agree new trade deals.

**Peter Hawkes (Furley Page LLP)** – Busy, and still recruiting. Labour markets are tight though, mainly because of labour availability rather than salaries. The introduction of GDPR will be challenging for businesses.

**Will Sheardown (Quinn Estates)** – Cautiously optimistic as building costs stabilise and pushing forward with development projects, including Sittingbourne. Recently met with Sir John Armitt, and the opportunity to use key infrastructure to accelerate housing delivery was viewed positively.

**Andrew Metcalf (Maxim PR)** – Good growth in public affairs work and picking up some contentious projects. GDPR requirements will be challenging for many businesses.

**Oliver Doubleday (GH Dean and Co)** – Brexit uncertainties continue to loom in the agricultural sector. Supportive of the environmental aims of Michael Gove's vision for a green Brexit, but it is less clear how agriculture will be supported.

**Sarah Dance (Sarah Dance Associates and Cultural Transformation Board)** – There are commercial property challenges affecting creative industries, especially in areas where cultural regeneration is taking place, such as Margate. DCMS figures show that GVA for the creative sector continues to grow at a faster rate than other sectors, especially in the south east. The South East Creative Economy Network (SECEN) is currently working on its future plan to take account of this.

**John Keefe (Eurotunnel UK)** – Brexit is the backdrop to most things, especially border concerns. Otherwise, annual results are good and 2017 was a record year – trucks are up by 10%, and rail growth is 25% per annum. While 2018 has started well, a lot of further infrastructure improvements will need to be done on both sides of the Channel. The Eurostar route to Amsterdam has started, which is welcome.

**Geoff Miles (Maidstone Studios)** – A good first quarter - the data centre is full, and office space is almost fully occupied. This is indicative of the demand for commercial space, and more office space is being built at the Studios. GDPR is leading business at the data centre.

**Mark Dance (KCC)** – The Tourism and Hospitality Guild now has a strong business membership. Would like more guilds to engage with KCC, especially in relation to how they are working with schools.

**Paul Wookey (Locate in Kent)** – Recently met with other inward investment agencies working in the south east, and they have similar issues regarding shortages of quality commercial floorspace. Kent appears to be losing significant amounts of commercial land to other uses, especially residential. Apparently, Essex CC is looking to bring forward a scheme to help resolve the shortage issue, and several options are being explored.

**Miranda Chapman (Pillory Barn Creative)** – A good first quarter, especially in the creative/digital sector. The use of video content is increasing while more traditional PR activity reduces, and is currently involved in evaluating social media content for a business customer. There continues to be skills pressures in the creative sector, and more Kent people are moving from London to jobs based in Kent.

**Susannah Schofield (Dice Matrix Consulting)** – Will be sending out to BAB members an email link to a survey seeking the views of businesses about insurance. Stepping down as editor of Women in Business. Has some concerns about the rise of women in business, including the football world which she has some close links to.

**Paul Thomas (Development Land Services)** – Raised several concerns and issues: (i) the rail franchises and their effects on services, especially Thameslink, (ii) what is happening to subsidies in the rural economy post Brexit, (iii) the provision of road and rail infrastructure in the county, (iv) SELEP is supporting an innovation in construction project which involves setting up local hubs, (v) there are several examples of off-site manufacturing development across the county, and (vi) recently government made headlines about speeding up the planning process.

**Barbara Cooper (KCC)** – KCC is lobbying government to extend Crossrail to Ebbsfleet, and the Thames Estuary Commission is receptive to improving connectivity. KCC responded to the National Infrastructure Commission's consultation on freight. Transport for the South East, which is the interim body set up by DfT, supports KCC's wants for the Strategic Road Network and Major Roads Network, and we are waiting for a response from Highways England. Still awaiting the outcomes of the Housing Infrastructure bids. A snow emergency was declared by KCC earlier in the week, for which there was a good response although it has had a devastating impact on the state of our roads, and will incur significant additional costs to KCC. Although KCC has reduced its subsidy to bus services it is looking at how services might be used more effectively.

**Doug Kempster (Port of Dover)** – In Brussels this week with Port of Dover, KCC and Calais concerning Brexit, the message being the need for fluidity post Brexit. Lobbying continues on the home front, and Europe will be targeted in 2018. The impact of the Calais fishermen's strike on Dover was significant, especially as it coincided with a visit by civil servants who could see for themselves the effects on Dover. The Western Docks development continues apace and on schedule.

**Tudor Price (Kent Invicta Chamber of Commerce)** – The chamber is growing following a root and branch review of its membership. GDPR questions are looming, especially for small businesses. KICC is heavily involved in Brexit conversations with the British Chambers of Commerce, especially in relation to documentation and freight flows. KICC is a member of the European network of chambers, and a delegation of SE Asia chambers will be visiting Kent in May which provides an opportunity to build connections. KICC is delivering the South East Business Boost project, which will provide business and grant support to SMEs. The recent snow highlighted the importance of good broadband connectivity, especially in rural areas.

**Richard Longman (Thames Gateway Kent Partnership)** – Helping to shape the expected report by Sir John Armitt. Looking to steer the Thames Estuary Production Corridor initiative with colleagues in Essex and GLA. Lobbying on the need for infrastructure to address freight concerns. Re the North Kent Enterprise Zone - the Berkley Homes development is now happening at Ebbsfleet, and the Kent Air Ambulance development is making good progress.

**Heidi Skinner (Freight Transport Association)** – Brexit is a big issue for FTA, especially with regard to drivers' qualifications and registrations, and FTA is working with DfT to ensure that freight vehicles can continue to operate across the Channel. There are skills shortages in the industry (around 50,000) and more people need to come into the industry. The A20 clamping and parking ban on HGVs has highlighted the issue around the lack of suitable parking facilities.

**Douglas Horner (retired business person)** – Would like to raise the lack of commercial floorspace with KMEP, SELEP and others, and the government's criticisms of developers are a distraction. We need a strategy for dealing with road degradation, so can this also be referred up to KMEP and SELEP? Recently attended a PASSAGE partners' meeting in Dover, and the French partners have clear views about alternative energies and how to use them – are we behind the curve?

**Simon James (KIMS)** – The STP is working to bring health and social care more closely together, and is strongly supported by KCC. The eight CCGs in Kent seem likely to merge, but delays at government level mean that there are continuing financial pressures in the sector and growing waiting lists. There is a focus locally on emergency care, and a trend towards self-paying where there is no private medical insurance. KIMS is now in its 4<sup>th</sup> year, is on track with its five year plan and will soon be launching a breast screening service. Recruitment challenges remain problematic, especially for nurses and clinical staff, and there is significant staff turnover. Over 65% of the 300 staff at KIMS live locally.

**Paul Barrett (Barretts Motor Group)** – The motor sector trade is very challenging, and the downward trajectory continues. Customers are confused and sitting on the fence, and as a result the company has delayed its investment in Ashford. On the upside, potholes are excellent businesses for the company! Looking at the implications of GDPR for the industry, especially gender reporting. Concerns about infrastructure provision for electric cars, and this requires a national response rather than local authorities.

### **Additional Commentaries**

**David Curtis-Brignell (Visit Kent)** - In 2017, attractions were up by 3% compared to 2016, and while there were monthly fluctuations in visitor footfall, the period between April and July saw a healthy increase compared with 2016. The main reasons for the fluctuations included general security fears, pound fluctuations and local competition. Most Kent attractions enjoyed an improved performance compared to 2016. Serviced accommodation providers saw an average occupancy of 76%, compared to 75% in 2016, which is similar to the national trend.

Visit Kent coordinated and hosted the first meeting of a new Promoting Kent Group in February, which includes Produced in Kent, Explore Kent, Locate in Kent, Kent Film Office, Kent Downs AONB and Kent Community Rail Partnership. It aims to increase collaboration between the different agencies and to create a more joined up approach to promotion, message alignment, visibility for key events and anniversaries.

## **4. Prospective KMEP Summit with Kent MPS**

The chairman said that the first summit was in January 2017, and there were presentations on three topics (Roads, Rail and Skills Infrastructure). There was a strong focus on outputs and outcomes, with evidence to back them up. A second summit is planned in summer 2018, and it was intended to work with Helen Whately to put it together. The chairman would like BAB to

consider further what items for discussion with Kent MPs could be included, and to pick this up at the next meeting in May.

Suggestions from previous BAB discussions might include unlocking the delivery of quality commercial floorspace, creating a regional identity to rival that of the Powerhouse, addressing recruitment difficulties and barriers, the potential impact of Brexit on labour supply, business confidence and port logistics, combating internet fraud and cybercrime, and lorry park provision.

## **5. Kent Medical Campus and the North Kent Enterprise Zone (Dawn Hudd, Maidstone Borough Council)**

The Kent Medical Campus (KMC) is one of several sites making up the North Kent Enterprise Zone which went live in April 2017, and which comprises a total of some 64 hectares with the potential for 230,000sqm of development. KMC is focusing on the medical and healthcare sectors, including R&D, and has the KIMS Hospital as anchor development.

The aim is to capitalise on EZ status as quickly as possible, and to that end Maidstone Borough Council adopted an Investment Strategy for KMC which comprises a list of priority projects including an Innovation Centre. The KMC has outline consent for some 98,000sqm of medical related phased development which, when completed, should provide over 3,000 jobs.

## **6. Kent & Medway Growth Hub achievements to date and lessons learned (Tudor Price, Kent Invicta Chamber of Commerce)**

Due to unavoidable time pressures and the importance of giving the subject full airing, it was agreed to postpone this item to the next BAB meeting in May.

## **7. Discussion about BAB and KMEP memberships**

The following matters were agreed by BAB members:

- A. To **amend the BAB Terms of Reference** so that membership is for three years, members are re-appointable for a further term, and there is no limit on the number of terms.
- B. To seek to **widen BAB's representation** to include representatives from the computer software/AI design, energy, social care and retail sectors, to have a wider geographical spread of membership, and a better balance on age, gender and ethnicity. BAB members were invited to suggest potential new members.
- C. That the BAB terms of reference should also be amended so that the **process of appointing BAB members to KMEP** is "open, transparent and non-discriminatory", that an application form would be made available on the KMEP website with applications kept in a secure file, and that the BAB/KMEP chairman and vice-chairs will appoint to the criteria set out in B above. The terms of reference will also state that the chairman can co-opt KMEP members.

D. The **requirement that SELEP and KMEP are business-led organisations** means that KMEP requires 17 business members. There are 13 existing business members, and James Beaton (Cripps) and Richard Finn have offered to become KMEP business members. This was agreed by BAB. A further 2 business members are required therefore. It was also agreed by BAB that Jo James and Douglas Horner would become vice-chairs for KMEP.

## **8. AOB**

The next meeting will be on 10 May 2018.

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**Chair: Geoff Miles**

<b>Surnames</b>	<b>Names</b>	<b>Organisation</b>	<b>Signatures</b>
Barrett	Paul	Canterbury for Business & Barratts Motor Group	✓
Barron	Carole	University of Kent at Canterbury	✓
Beatton	James	Cripps LLP (and Chartway)	✓
Buchanan	Charles	Charles Buchanan Associates	✓
Chapman	Miranda	Pillory Barn	✓
Clague	Andrew	Clague Architects LLP	✓
Cleary	Gavin	Locate in Kent	✓
Cooper	Barbara	Kent County Council	✓
Curtis-Brignell	David	Visit Kent	✓
Dance	Mark	Kent County Council	✓
Dance	Sarah	Sarah Dance Associates & Cultural Transformation Board	✓
Davies	Andrew	Handelsbanken	✓
Doubleday	Oliver	G H Dean & Co Ltd	X
Eckersley	Phil	Bank of England	✓
Fenton	Nick	The Kent Developers Group	✓
Finn	Richard	Richard Finn Ltd	✓
Fulcher	Jill	Kent County Council (Observing)	✓
Hawkes	Peter	Furley Page LLP	X
Hawthorn	Iain	HSBC Bank Plc	X
Hinckley	William	BTF Partnership	X
Horner	Douglas	Deputy Lieutenant of Kent	✓
Hughes	David	Kent County Council	X
James	Jo	Kent Invicta Chamber of Commerce	X
James	Simon	KIMS	✓
Keefe	John	Eurotunnel UK	
Kempster	Doug	Port of Dover (alternate for Tim Waggott)	X
Kingsman	Stephen	DMA Group	X
McAlister	Keith	Thomson Snell & Passmore LLP	✓
Metcalf	Andrew	Maxim PR	✓
Miles	Geoff	KMEP, BAB & the Maidstone Studios	✓

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**Chair: Geoff Miles**

<b>Surnames</b>	<b>Names</b>	<b>Organisation</b>	<b>Signatures</b>
Norwell	Matthew	Thames Gateway Kent Partnership (TGKP)	
Nurden	Sarah	Kent & Medway Economic Partnership (KMEP)	<b>√</b>
Ollis	Jane	Quivium & IOD	<b>√</b>
Parmar	Alison	Federation of Small Businesses	<b>√</b>
Price	Tudor	Kent Invicta Chamber of Commerce (presenting)	<b>√</b>
Quinn	Mark	Quinn Estates Ltd	<b>√</b>
Regan	Jon	Hugh Lowe Farms Ltd & Weald Granary Ltd	<b>√</b>
Russell	Bob	Russell Distillers Ltd & Copper Rivet Distillery	<b>√</b>
Sandford	Nick	Kent County Land & Business Association	<b>X</b>
Schofield	Susannah	Dice Matrix Consulting Ltd	<b>√</b>
Skinner	Heidi	Freight Transport Association (FTA)	<b>√</b>
Smith	David	Kent County Council	<b>X</b>
Spring	Bernard	Chair - North Kent Enterprise Zone & County Chair - Young Enterprise	<b>X</b>
Thomas	Paul	Development Land Services Ltd	<b>√</b>
Winter	Paul	Wire Belt Company Limited	<b>X</b>