

Tuesday 25 June 2019, 5.00-7.00pm

Village Hotel, Forstal Road, Maidstone, ME14 3AQ

AGENDA

	Time	Page
1. Welcome, introductions and apologies for absence	5.00	-
2. Declaration of Interests	5.05	-
3. The “evening economy” - its role in driving growth and productivity <i>Dr Julia Jones (Chief Executive, Found in Music)</i> www.foundinmusic.com	5.10	
4. Turner Prize <i>Madeleine Homer (Thanet District Council) and David Smith (KCC)</i>	5.30	Presentation
5. Sector Skills Bid – Clean Growth Carolyn McKenzie (KCC)	5.40	Presentation
6. LEP Review <i>SELEP Strategic Board on Friday 28 June papers attached for discussions - Adam Bryan (SELEP)</i>	5.50	
7. Local Growth Funding: Monitoring Report Kerry Clark (KCC) Lee Burchill (KCC) Jessica Jagpal (Medway Council)	6.40	
8. AOB	6.50	
9. Close of Meeting	7.00	

ITEM 3A

Subject: **DRAFT MINUTES** of the Kent & Medway Economic Partnership (KMEP)
meeting held at the Village Hotel, Maidstone on [Monday 25 March 2019](#).

Attendees:

KMEP Board Members

Geoff Miles (Chair | The Maidstone Studios)
Paul Barrett (Barretts Motor Group)
Bob Bayford (Thanet District Council)
James Beatton (Cripps LLP)
Andrew Bowles (Swale Borough Council)
Paul Carter (Kent County Council)
Rodney Chambers (Medway Council)
Miranda Chapman (Pillory Barn Design Ltd)
Gavin Cleary (Locate in Kent)
Simon Cook (Mid Kent College)
Martin Cox (Maidstone Borough Council)
Sarah Dance (Sarah Dance Associates)

Richard Finn (Richard Finn Ltd)
Peter Fleming (Sevenoaks District Council)
Douglas Horner (Kent Ambassador)
Jo James (Kent Invicta Chamber of Commerce)
Tracy Moore (Tunbridge Wells Borough Council)
Keith Morris (Dover District Council)
Andrew Metcalf (Maxim PR)
David Monk (Folkestone & Hythe District Council),
Prof. Mike Weed (Canterbury Christ Church
University alternate)
Paul Thomas (Dev. Land Services Ltd)
Paul Winter (Wire Belt Company Limited)

Observers & Presenters in attendance

Allan Baillie (KCC), Lee Burchill (KCC), Prof. Mario Caccamo (NIAB EMR), David Candlin (TWBC), Kerry Clarke (KCC), Lee Colyer (TWBC), Barbara Cooper (KCC), John Foster (MBC), David Godfrey (KCC), Graham Hammond (FHDC), Madeline Homer (TDC), Dawn Hudd (MC), Dave Hughes (KCC), Tim Ingleton (DDC), Tracey Kerly (ABC), Matthew Norwell (TGKP), Sarah Nurden (KMEP), Andrew Osborne (ABC), Michael Payne (KCC), Karla Philips (KCC), Lucy Walker (Barton Willmore), Mike Whiting (KCC), Emma Wiggins (SBC).

Apologies:

KMEP Board Members

Gerry Clarkson (Ashford Borough Council), Simon Cook (Canterbury City Council), Nick Fenton (Hodson Developments & Kent Developers' Group), Nicolas Heslop (Tonbridge & Malling Borough Council), David Jukes (Tunbridge Wells Borough Council), Jeremy Kite (Dartford Borough Council), Jane Ollis (IOD), Jon Reagan (Hugh Lowe Farms Ltd & Weald Granary Ltd), Prof. Rama Thirunamachandran (Canterbury Christ Church University), David Turner (Gravesham Borough Council)

Item 1 – Welcome, introduction and apologies.

- 1.1 Mr Geoff Miles (the KMEP Chairman) welcomed attendees to the meeting, and accepted the apologies as listed above.

Item 2 – Declarations of interest

- 2.1 Andrew Metcalf declared an interest; He provides PR services to East Malling Research that has submitted the NIAB EMR bid for LGF3b funding.
- 2.2 Miranda Chapman declared an interest. She provides website support services to KMEP and SELEP.

Item 3 – Minutes of previous meeting, matters arising and action tracker

- 3.1 The minutes of the meeting on 28 January 2019 and the minutes of the meeting on 27 February were accepted as an accurate record of the discussion.

Item 4 – Governance of SELEP and its Federated Boards

- 4.1 The KMEP Chairman and Paul Carter introduced the item. The SELEP Strategic Board had received papers on the Assurance Framework and the LEP Review at its meeting on 22 March, of which KMEP should be aware.
- 4.2 The Assurance Framework sets out SELEP's systems and processes to effectively manage funding from central government budgets in a transparent and accountable manner. On 22nd March, the SELEP Strategic Board was asked to approve changes to the Assurance Framework. The Kent and Medway representatives at the SELEP meeting were concerned that these changes did not clearly explain how the federated board model is embedded in SELEP or the current modus operandi. The Framework does not reflect the Irene Lucas governance work that SELEP had undertaken. Paul Carter explained it was crucial for this document to be accurate and clearly show the current governance model, especially because SELEP will adopt a new legal personality in 2020, and local authority representation on the SELEP board will be diminished.
- 4.3 A vote was taken by SELEP on 22 March, and the Assurance Framework was adopted, however, noting the concerns of Kent and Medway representatives, it was agreed that a revised version must be taken to the next SELEP Strategic Board meeting for discussion and endorsement.
- 4.4 Sarah Nurden (KMEP Strategic Programme Manager) then gave a short presentation and made the following comments:
 - The SELEP Assurance Framework of 22 March 2019 included changes specified by central government's LEP review – e.g. a commitment to adopt a legal personality and to have a maximum board size of 20 members, with the potential to co-opt 5 further members on a one year basis.
 - The Assurance Framework included additional changes that were not specified in central government's LEP review – e.g. federated boards are no longer to undertake initial prioritisation of investment opportunities. The Assurance Framework of 22 March transfers the prioritisation responsibility solely to the

SELEP Investment Panel. This is a diminution of the federated boards' role. Conversations will take place over the next three months to seek the reinsertion of initial prioritisation by the federated boards in the revised version of the Assurance Framework, to be debated by SELEP on 28 June.

- The Assurance Framework refers to the selection of board members in the new SELEP company. It implies selection of board members will be made on a LEP-wide basis according to skills, expertise and knowledge. It does not state that there will be continued geographical representation from each federated board. This is contrary to the guarantee given to KMEP by the SELEP Chairman at its meeting on 28 January 2019.
- The LEP Review paper that went to the SELEP Strategic Board on 22 March said that there will be 5 workstreams to complete prior to March 2020. The workstreams are:
 - Moving to the new board size and composition (with an independent external body appointed by SELEP to come up with proposed options)
 - Recruitment of the Chair and Board Members / Meeting the Government's diversity targets for the Board
 - Establishing the new Legal Personality (with a legal specialist to be appointed by SELEP).
 - Establishing the Independent Secretariat
 - Embedding scrutiny and oversight into policies and procedures
- The LEP Review paper sets out the timescales for completing these workstreams. The initial recommendations from the workstreams on board recruitment and legal personality will be presented to the SELEP Strategic Board on 28 June 2019, with final decisions made in September/October.
- The SELEP Strategic Board agreed on 22 March that there ought to be steering groups of SELEP board members to closely monitor these workstreams, and the work of the independent consultants. KMEP board members were asked if they would be willing to volunteer to sit on the Steering Group.
- The SELEP Strategic Board agreed on 22 March that SELEP will be a 'nil returns company'.
- As requested by KMEP, all KMEP meeting dates have been arranged to take place a week or two before the SELEP Strategic Board meets, to allow KMEP the opportunity to pre-examine the SELEP papers.

4.5 In response to the introduction and presentation, the following comments were made:

- Douglas Horner commented on the late circulation of the SELEP Strategic Board papers. SELEP board members require the timely distribution of papers if they are to be effectively engaged in these very importance decisions. He also mentioned that SELEP has several governance documents (e.g. Joint Agreement, The Assurance Framework, The Terms of Reference, etc). It is unclear which document that precedence. The language used in these documents is confusing, there is limited mention of federated boards.
- Jo James expressed frustration that SELEP share important governance documents at short notice.
- Paul Thomas said the Assurance Framework of 22 March effectively incorporates how the SELEP board will operate from 2020 onwards without this being reviewed and agreed. Some of the promises and guarantees given to KMEP by the SELEP

Chairman (detailed in paragraph 3.5 of minutes of 27 February) have been disregarded. He urged close monitoring of the workstreams.

- Peter Fleming referred to SELEP being the largest LEP area, and the difficulties of operating at such a large geography. He queried if the geography of SELEP should be reconsidered. In response, Paul Carter said if it becomes impossible to operate a local federated approach, then this question should be considered.
- Jo James said the Assurance Framework contained conflicting statements on different pages. Several changes strengthen the LEP and downgrade the federated boards.
- Paul Thomas spoke of importance of full representation by KMEP at the SELEP Strategic Boards.

- 4.6 The discussion concluded, and it was agreed that Douglas Horner will be the KMEP business representative that will sit on the SELEP steering group(s). He asked for the support of his business colleagues in supporting him with this work, particularly in light of the large workload. Kent Council leaders agreed that they would meet and agree who will be the KMEP local authority representative to attend the steering group(s) meetings. Furthermore, the local authorities will nominate an alternate to attend SELEP meetings should apologies be tendered.

Item 5 – Thames Estuary Production Corridor

- 5.1 The KMEP Chairman welcomed Sarah Dance (KMEP board member, Co-chairman of the South East Creative Economy Network, and Chairman of Kent and Medway Cultural Transformation Board) to the meeting.

- 5.2 Sarah Dance gave a presentation about Thames Estuary Production Corridor. Her comments included:

- The Production Corridor at its heart is about establishing a world-class centre for creative production, which leads global innovation and develops talent.
- The Production Corridor will help create good growth in the Estuary. It will support inward investment in the creative sector. It will support global trade, and link to both London and the continent. The benefits will reach the whole of Kent.
- The Production Corridor provides the opportunity to forge an economic identity for the whole of the estuary area. It is about changing its identity and opening up the business opportunity.
- The GLA and SELEP have commissioned Hatch Regeneris to look at the case for investment, dig down into what the opportunities are, and how the Production Corridor can deliver good growth.
- This work has shown that over the last five years, there has been a 5% growth in the number of North Kent employees working in the creative sector. However, the average creative job in north Kent delivers £10k less GVA per year than the UK average.
- The concentration of creative employment in North Kent is less than in Essex or London, but there are at least 22,000 creative production employees living in North Kent. Many people in the creative sector reside in North Kent, but commute out of the area for employment. If the Production Corridor can draw employment to the area by creating the right workspaces, it could help ease congestion on road and rail.

- Across the whole of the Thames Estuary area (London to Southend and Thanet), 45,000 people in the creative sector commute out of the area to work elsewhere.
- Like much of creative sector, the freelance economy is growing with a 27% increase over the last 5 years; there is the potential to grow these smaller businesses into larger businesses.
- North Kent is the home of many anchor institutions, i.e. those that attract press and media (e.g. Turner Contemporary and Historic Chatham Dockyard).
- The Hatch Regeneris work is collating case studies. One case study of an industrial unit in Medway has discovered there are a plethora of businesses located there, that are crucial to the creative sector supply chain.
- A benefit of investing in the creative sector is that creative sector jobs are more resilient to automation.
- The Cultural Development Fund will be used to help ignite growth in the Production Corridor.
- The Department for Digital, Culture, Media and Sport (DCMS) announced it was launching a Cultural Development Fund (CDF) a while ago. This fund aims to allow cities and towns to invest in creative, cultural and heritage initiatives that lead to culture-led economic growth and productivity. Nationally, DCMS made £20 million available for areas to competitively bid for. 99 Expressions of Interest were received. The Thames Estuary Production Corridor was successful in its application, and has been allocated £4.32m of CDF to support the £6.7m programme.
- The University of Kent is part of the team leading this Cultural Development Fund work.
- Between 2019-22, Creative Estuary activity will include:
 - Estuary 2020: expansion of this month-long international arts festival to include new commissions in locations and communities across the Thames Estuary,
 - Corridor Commissions: focused on digital innovation, bringing together internationally renowned and creative technologists to 'waymark' visitors along the Thames.
 - Re: Generation 2030: Creative Apprenticeship scheme, creating job opportunities for 60 young people from the Estuary's disadvantaged areas to work
 - Estuary Works: New creative workspaces for creative and digital businesses in creative clusters like Margate, Southend and Chatham Dockyard.
 - Estuary Producers: Producer 'residencies' in locations across the Estuary, creating new cultural experiences in high streets and parks, on watersides and other venues
 - Creative Labs: bringing together creatives, technologists and academics to explore how culture can address key issues such as mental health, ageing and town planning.
- The Hatch Regeneris will share their report shortly, and consult stakeholders on its content.

5.3 In response to the presentation, the following comments were made:

- Paul Thomas asked for the Hatch Regeneris presentation, given to the SELEP Strategic Board on 22 March, to be shared with KMEP.
- Paul Carter applauded the Government and James Brokenshire for recognising the economic potential of the Thames Estuary.

The Government had announced their response to the Thames Estuary 2050 Growth Commission that morning. The Government's commitments can be viewed at: <https://www.gov.uk/government/publications/thames-estuary-2050-growth-government-response-to-commission>

Item 6 – Strength in Places Fund

6.1 Prof. Mario Caccamo (Managing Director of NIAB EMR) gave a presentation on the company's Strength in Places Fund bid. He made the following comments:

- Led by UK Research and Innovation, the Strength in Places Fund (SIPF) is a competitive funding scheme that takes a place-based approach to research and innovation funding, to support significant regional growth.
- The high level aims of the Strength in Places Fund are:
 - To support innovation-led relative regional growth by identifying and supporting areas of R&D strengths that are driving clusters of businesses across a range of sizes that have potential to innovate, or to adopt new technologies - in order that those clusters will become nationally and internationally competitive.
 - To enhance local collaborations involving research and innovation.
- NIAB EMR (in collaboration with partners) submitted an expression of interest for SIP funding to the Government in July 2018. In total 24, out of the 80 projects, were selected to proceed to stage 2 of the competitive bidding process, and the good news is NIAB EMR's bid is among these 24. It is the only successful bid in the South East.
- £50k of seed-corn funding was given to NIAB EMR to prepare their final submission, which must be submitted by September 2019.
- The vision of the NIAB EMR bid is to create a world-class research, innovation and enterprise platform to develop Kent and Medway as the UK's leading region for the production and processing of high-value foods and plant-based compounds.
- The innovation platform will look at how robotics, AI & machine learning, breeding, nanotechnology and waste minimisation can support horticultural production
- The bid builds upon the key regional strengths, which includes SELEP's unique geographical location as home to the vast majority of UK high-value horticulture sector and as the gateway to the European market. The region contributes 40% of the UK's horticultural production.
- Horticulture primary production, packaging and food processing represent areas of major economic activity.
- The partners for the bid include 1 independent research organisation, 2 major universities (Greenwich and Kent), 4 industry leaders, 1 FE land-based college (Hadlow).
- The proposal seeks to:
 - Build on leadership and innovation in the food sector.
 - Increase research and business collaboration and outputs matching performance of other comparable LEPs e.g. GC-GP.
 - Make the area more attractive for inward investment.
 - Capitalise on current infrastructure (M2/M20, Discovery Park, North Kent Enterprise Zone, Kent Science Park, EDGE, Port of Dover, access to airports).
- The total value of the project is £21m over 4 years; of this £7.6m is from partner contributions and £15.7m is sought from the Strength in Places Fund.
- If the bid were successful, the increased production could potentially achieve a 30% import substitution of fresh fruit & veg (equivalent to £1bn in value).

It could also help grow the 'value-added' food sector by £0.7bn, and grow Agri-tech services, nationally and globally, by £0.6bn. The aim is to add 11,000 knowledge economy jobs by 2020-21 in Kent and Medway.

- NIAB EMR has looked at global examples of good research and innovation in the food sector to share best practice, including with 'FoodValley' (a knowledge-intensive agri-food ecosystem founded around Wageningen University).
- The next steps for NIAB EMR include:
 - Develop our brand identity.
 - Communication with wider stakeholders.
 - Planning and scoping the workshops.
 - State Aid considerations and other advice.
 - Procuring additional support and cost sharing.
 - Demonstrating co-investment from civic leadership

6.2 In response to the presentation, clarification was given that KMEP board members are very supportive of the project, and hope to secure LGF3b funding for NIAB EMR's glasshouse project. At the meeting on 27 February, KMEP agreed that NIAB EMR's project ought to be among the top 5 priorities for funding.

6.3 The Chairman thanked Prof. Mario Caccamo for his presentation.

Item 7 – Calverley Square Project

7.1 The KMEP Chairman welcomed Cllr Tracy Moore, Cabinet Member for Economic Development at Tunbridge Wells Borough Council. She gave a presentation about the Calverley Square project that seeks LGF3b investment.

7.2 Her comments included:

- Although Axa and Cripps LLP are the largest employers in Tunbridge Wells, a NESTA report of 2017 reveals that a significant proportion of residents work in the creative industries.
- The Calverley Square project seeks to grow and develop the creative cluster in Tunbridge Wells.
- Tunbridge Wells is an entrepreneurial centre, with the highest level of business start-ups in Kent.
- There are four reasons why Tunbridge Wells is exploring the Calverley Square project. These include:
 - The changing nature of the High Street. In 2002, only 1.8% of retail sales were online, and last year, it was nearly 20%. This means there are going to be fewer physical stores. Leading voices such as Mary Portas and the Iceland founder say towns need to become more experiential and less transactional. By investing in culture, Tunbridge Wells can remain a destination town, and the offer will help incentivise the retail providers to locate here.
 - The loss of employment space. Tunbridge Wells has lost 200,000 square foot of commercial space in the town centre over the last three years due to the change to permitted development rights. This has resulted in some firms having to relocate away from the town. TWBC is looking to address this issue by providing new commercial/employment space as part of the Calverley Square project.
 - The Theatre and Town Hall are no longer fit for purpose. At the town hall, the staff numbers have fallen by 25%, so there is vacant physical space. The building

is expensive to maintain and repair, and provides dead frontage, that inhibits links between top and bottom of town. The theatre is also expensive to maintain and repair. It was originally built as a dance hall, and its size and structure is not appropriate for 21st century world-class shows. It would cost £31m to refurbish the theatre, but it would still have physical constraints that would prevent some shows being able to use it as a venue.

- The catchment of Tunbridge Wells. The nearest neighbouring 1200 seat theatre is the Marlowe Theatre in Canterbury, the Glyndebourne in Lewes, or the Congress Theatre in Eastbourne. In the business case, it is shown that 200,000 people visit the theatre that reside in TN1 and TN2 postcode, and 2.4million that live within one hour's travel time from Tunbridge Wells.
- The project is coherent with the local, regional, and national policies.
- Calverley Square is a place-making project which will:
 - Deliver a new theatre for Tunbridge Wells on the edge of Calverley Grounds
 - Replace the obsolete and expensive council offices with cost-effective, modern office accommodation. It will provide 20,000 square feet of new office accommodation for the private sector to lease.
 - Resolve car parking on the Mount Pleasant and Great Hall sites.
 - Release the current council office and theatre buildings for redevelopment
- Calverley Square will be developed on the edge of Calverley Grounds. The plans showing its location can be viewed at: <http://calverleysquare.co.uk/about/>
- The economic benefits of the project are:
 - Create 362 new jobs
 - Deliver a new regional theatre (one of two 1,200+ seat theatres in the county)
 - Provide £33.2 million annual economic benefit to the Kent economy
 - Deliver a new 261 space underground car park
 - Deliver a new 5,000 m2 grade A office
 - Free up the existing site for new economic benefits.
- A bid has been made by TWBC for £2m of LGF3b to help support Calverley Square, and she sought the support of KMEP for the project.

7.3 In response to the presentation, the comments included:

- Peter Fleming asked about the consequences if LGF3b funding was not forthcoming. Tracy Moore replied that TWBC is prepared to borrow to fund the project, but the opportunities relating to the old Town Hall will be reduced if LGF3b is not provided.
- Paul Thomas asked about the Compulsory Purchase Orders required. Tracy Moore said most of the land is already within the ownership of TWBC. The CPO relates to a right of access and some rights to light.
- Sarah Dance commended TWBC for delivering this innovative and creative project.

7.4 The Chairman thanked Tracy Moore for his presentation.

Item 8 – Local Growth Funding: Monitoring Report

8.1 Lee Burchill (KCC LGF Programme Manager) presented the Local Growth Funding: Monitoring Report. He made the following comments:

- The Red rated summary for Innovation Park Medway was omitted from the report. This will be circulated separately.
- The report identifies that there has been some slippage in spend. The A28 Chart Road project cannot progress until the developer provides a bond, and this has contributed toward the slippage in spend.
- SELEP has called an Investment Panel for 28 June 2019.

8.2 Peter Fleming sought clarification from fellow board members whether they were content with the Thanet Parkway and Innovation Park Medway projects being funded as the LGF3b priorities. In response, the Chairman gave a chronological history of how this decision was made, and referred to the KMEP meetings on 24 September 2018 and 27 February 2019, when KMEP agreed the approach and prioritisation list. Peter Fleming expressed disappointed that the KMEP meeting on 27 February 2019 was held at short notice and on a date which clashed with a few council meetings; he asked that this is not repeated in future. Andrew Bowles confirmed that the KMEP Chairman read out verbatim all the written submissions received for the LGF3b projects, and these were considered by the KMEP board.

Item 9 – Update on Housing Infrastructure Fund (HIF) bids

9.1 The report was noted and no questions were asked.

Item 10 – AOB

10.1 No other business was raised.