

Monday 11 April 2016, 5.00-7.00pm

**Inspiration Suite, The Village Hotel, Castle View,
Forstal Road, Maidstone, ME14 3AQ**

AGENDA

	Approx time	Page
1. Welcome, introductions and apologies for absence	5.00	-
2. Minutes of previous meeting, matters arising & action tracker	5.05	2 & 8
3. KMEP Skills Commission & Engagement of guilds	5.10	10
4. Ebbsfleet Masterplan	5.40	<i>Presentation only – no paper</i>
5. Kent County Council’s Local Transport Plan 4	6.00	22
6. Local Growth Fund Round 3: Future Projects & Large Local Major Schemes	6.15	30
7. Local Growth Fund: Delivery Progress Report	6.30	36
8. Thames Gateway Kent Partnership Update	6.50	53
10. AOB and any questions	6.55	-
For information items:		
• Skills Capital Fund		57
• Future meeting dates		60

ITEM 2A

Date: 11 April 2016

Subject: DRAFT MINUTES of a meeting of the Kent & Medway Economic Partnership (KMEP) held in the Innovation Suite, Village Hotel, Castle View, Forstal Road, Maidstone on 4 February 2016.

Board members present

BAB Members

Geoff Miles (Chair), The Maidstone Studios
Douglas Horner, Trenport Investments Ltd &
CBI South East Council
Jo James, Kent Invicta Chamber of Commerce
Andrew Metcalf, Maxim PR
Paul Thomas, Orbit Homes
Paul Winter, Wire Belt Company Limited

Local Authority elected representatives

Andrew Bowles , Swale Borough Council
Paul Carter, Kent County Council
Rodney Chambers, Medway Council
John Cubitt, Gravesham Borough Council
Peter Fleming, Sevenoaks District Council
David Jukes, Tunbridge Wells Borough
Council
David Monk, Shepway District Council
Fran Wilson, Maidstone Borough Council
Paul Watkins, Dover District Council

FE

Graham Razey, Principal, East Kent College

Presenters

Jane Heeley (Chair of BBfA Steering Group), Julie Oliver (Kent Fire and Rescue)

Officers in attendance

Julie Beilby, Adam Bryan, Barbara Cooper, Ross Gill, Katharine Harvey, Richard Hicks, David Hughes, David Liston-Jones, Richard Longman, Rhiannon Mort, Sarah Nurden, Karla Phillips, Susan Priest, Joe Ratcliffe, David Stewart, Katie Stewart, Louise Whitaker.

Apologies

Nadeem Aziz, Dover DC
Paul Barrett, C4B Business & Barretts Motor
Group
William Benson, Tunbridge Wells BC
Colin Carmichael, Canterbury CC
Miranda Chapman, Pillory Barn Design Ltd
Simon Cook, Canterbury CC
John Foster, Maidstone BC

Abdool Kara, Swale BC
Jeremy Kite, Dartford BC
Vince Lucas, V A Consultancy Ltd
Jonathan MacDonald, Tunbridge Wells BC
Andrew Osborne, Ashford BC
Andrew Pearce, Environment Agency
Pav Ramewal, Sevenoaks DC
Jon Regan, Hugh Lowe Farms Ltd & Weald
Granary Ltd

Kevin Godfrey, iCOM
Graham Harris, Dartford BC
Nicolas Heslop, Tonbridge & Malling BC
Madeline Homer, Thanet DC
Dawn Hudd, Maidstone BC
David Hughes, Gravesham BC
Tim Ingleton, Dover DC

Nick Sandford, Kent Country Land
Association
Paul Spooner, Maidstone Borough Council
Alistair Stewart, Shepway DC
Rama Thirunamachandran, Canterbury
Christ Church University
Chris Wells, Thanet DC

Item 1 – Welcome, introductions and apologies

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

Item 2 – Minutes of previous meeting and Action tracker

The minutes of the Board meeting on 1 December were agreed as a correct record.

The following comments were made in response to the action tracker:

- **Future rail franchising in Kent and Medway:** Stephen Gasche, KCC's Principal Rail Transport Planner, will provide a presentation to KMEP on 14 June 2016 on this topic. The views expressed at this meeting will inform KMEP's response to the formal DfT consultation on the new franchise which is scheduled to run from June to October 2016.
- **Skills Commission:** The Commission is involving both the FE and HE sectors in its work.
- **New Enterprise Zone:** A draft Delivery Plan for the North Kent Innovation Zone is required by the DCLG.
- **Economic impacts of Operation Stack:** 'Transport Systems Catapult' is an academic-led consultancy, working on behalf of the DfT to examine the impact of channel crossing disruption resulting from migrant incursions and cross-channel strikes over the summer.
- The action tracker should have acknowledged that Dover DC had responded to Highway England's Lorry Park consultation and said the implications for TAP should be taken into account.
- **European Structural Funds:** The inward investment contract (to be partially funded from the ERDF) is currently subject to a procurement process.

Item 3 – Lower Thames Crossing: Responding to the consultation

- 3.1 Joe Ratcliffe, Transport Strategy Manager, KCC, introduced the item and presented his report to the Board. In particular he referred to the following:
- 3.2 Highways England had launched a public consultation on 26th January 2016 proposing a new bored tunnel crossing the Thames to the east of Gravesend and Tilbury (known as option C). The consultation is available to view at: <https://highwaysengland.citizenspace.com/cip/lower-thames-crossing-consultation> and ends on 24th March 2016.
- 3.3 The consultation seeks the opinion of businesses and residents on how the bored tunnel should connect to the existing road network, with three options on the northern side and two options on the southern side. Highways England's preferred option is route 3 (in Essex) and the Eastern Southern Link (in Kent).
- 3.4 Highways England made clear that the volume of consultation responses will be a critical factor in deciding on the final route, and KMEP agreed to encourage businesses in Kent and Medway to respond. SELEP had commissioned Maxim to promote the need for a new Lower Thames Crossing to businesses.
- 3.5 This consultation, setting out option C as a preferred option, showed that Highways England had discounted option A (adding capacity at Dartford) based on their analysis of the economic benefit, transport benefit and community/environmental impact. However, the Secretary of State has the power to overrule Highways England and could take a different view.
- 3.6 James Tumbridge of Pillsbury, Winthrop, Shaw Pittman LLP had been commissioned by Kent County Council to explore potential private finance options, and the findings will be shared with KMEP members at the earliest opportunity.
- 3.7 The purpose of the presentation was to allow consideration of the issues and agree KMEP's response. The item was opened up for discussion.
- 3.8 All local government and business leaders present at the meeting (with the exception of the Leader of Gravesham Borough Council) agreed to actively support Highway England's preference for option C, with the recognition that additional points should be considered in preparing KMEP's consultation response.
- 3.9 These additional points to be taken into consideration in preparing the consultation response are:
 - The new Lower Thames Crossing cannot be considered in isolation.
 - The crossing must be accompanied by a package of funded improvements to the wider Kent motorway and road network. These funded improvements must be developed concurrently to the proposal for a new Lower Thames Crossing, to ensure the new crossing relieves congestion and does not simply displace it to the next

weakest point in the network. The junctions and roads specifically named as requiring further investment include:

- the A2/M2 (including dualling the A2 near Lydden)
 - A229 (Bluebell Hill)
 - A249 (Detling Hill)
 - Junctions 3 and 5 of the M2
 - Junctions 5 to 7 of the M20
 - Brenley Corner junction of the M2 (Junction 7)
- There should be 3 lanes crossing in each direction, rather than the 2 lanes proposed in the consultation. The Road Haulage and Freight Associations have voiced concerns over the ability to funnel four lanes down to two.
 - KMEP Members to provide views via email if the crossing should have a junction with the A226, or only connect with the A2/M2. Rodney Chambers voiced concern about the knock-on consequences for local residents and businesses using the A226 and A289.
 - The consultation response should request that the Government considers private finance options, and uses a proportion of the ongoing revenue stream from the tolls to fund necessary local road improvements.

3.11 The reasons to support option C cited by attendees included:

- That the M2 and M20 are corridors to Europe and this combined with the continued growth in the number of vehicles using the Port of Dover will result in more traffic needing to cross the Thames.
- The Highways England assessment showed option A (located at Dartford) will not provide the level of resilience required, particularly when incidents occurred.
- Option C will reduce congestion at the existing Dartford crossing and unlock economic growth, supporting the development of new homes and jobs in the region.
- HGVs will not need escorting through the proposed bored tunnel, an improvement on the current crossing at Dartford.
- Option C also helps to prevent further deterioration of air quality for Dartford residents.

3.12 John Cubitt commented that the route diagrams provided by Highways England did not use GIS mapping and an environmental survey for option C was also lacking. Alternative crossings within the M25 are being considered, such as Silvertown, Gallions Reach, and Belvedere, and the cumulative cost of these options is less than £6bn which, he argued, represented better value for money than the proposals put forward by Highways England.

3.13 Douglas Horner encouraged SELEP to communicate directly with the Secretary of State, as well as with Highways England.

- 3.14 A diagram showing 'HGV flows per day'¹ and another showing 'sites of economic growth'² should be incorporated in KMEP's submission to show how current congestion affects key commercial centres.
- 3.15 Jo James is arranging a meeting for KMEP businesses with Kent & Medway MPs on 8 March 2016, and the new proposed Thames Crossing will be discussed.
- 3.16 District Council Leaders agreed to circulate their own Council's consultation response to KMEP.
- 3.17 KMEP agreed that the draft consultation response will be circulated by email before submission to Highways England.

Item 4 – Better Business for All (BBfA): Supporting business through better regulation

- 4.1 Jane Heeley (Chair of Kent and Medway BBfA Partnership, Tonbridge and Malling Borough Council) and Julie Oliver (Kent Fire and Rescue Service's lead for BBfA) presented to the Partnership. They explained that the Better Business for All (BBfA) programme is a partnership between business and regulators that aimed to change the way that regulatory support is provided to businesses in order to reduce administrative costs and promote growth.
- 4.2 Concluding the presentation, Jane Heeley and Julie Oliver asked the Partnership:
- To identify a KMEP Member to join the BBfA steering group;
 - To assist in identifying future sources of funding;
 - To provide support in identifying positive case stories; and
 - That KMEP Council representatives promote BBfA within their own councils.
- 4.3 The Chair asked KMEP Members able to fulfil any aspect of this request to contact Jane Heeley directly at Jane.heeley@tmbc.gov.uk

Item 5 – Future meeting dates

- 5.1 Sarah Nurden, the new Strategic Programme Manager for KMEP, introduced herself to the Partnership. She sought the views of the Partnership on areas of focus for the forward agenda and invited suggestions for improvements in the way that KMEP's role and activity could be communicated.
- 5.2 The partnership discussed the information set out in the report and made the following comments:
- Setting and publicising the KMEP agenda at an earlier stage would help Partnership members to be better prepared for the discussion.
 - The Partnership is eager to hear about the interaction of the guilds with the Skills Commission and in how 'soft skills' are being taught to young people. The skills

¹ shown on page 16 of Growth without Gridlock – http://www.kent.gov.uk/_data/assets/pdf_file/0017/6092/growth-without-gridlock.pdf

² shown on page 37 of Growth and Infrastructure Framework - http://www.kent.gov.uk/_data/assets/pdf_file/0012/50124/Growth-and-Infrastructure-Framework-GIF.pdf

agenda will be a key strand of the devolution bids, with an opportunity to use the apprenticeship levy to radically change vocational training.

- A discussion on housing and growth infrastructure was requested, and the Partnership agreed that this be scheduled for 14 June 2016.
- The Partnership therefore agreed that the meeting on 11th April would focus on the work of the Skills Commission.

Item 6 – Local Growth Fund delivery: Current schemes progress report

The Partnership received a report from Rhiannon Mort and the following comments were made:

- **Dover Western Dock Revival** – Barbara Cooper explained that the State Aid issues appear to have been resolved but concerns had been raised by SELEP and the Government regarding the additionality of LGF investment. A business case is required in order that the project can proceed. Paul Watkins and Barbara Cooper would discuss this programme outside of the meeting.
- **Sturry Link Road, Canterbury** – KCC is working closely with Canterbury CC regarding the Sturry Link Road. Developer contributions are a prerequisite to the scheme proceeding. At present, the developer agreements to fund the scheme preparation and delivery are not yet in place.
- **Thanet Parkway, Thanet** – The cost estimate is currently being reviewed.
- Peter Fleming queried the ‘re-profiling’ of schemes and asked if any underspend could be vired to other transport schemes. Rhiannon Mort explained no funding would be lost, rather other approved LGF projects will be brought forward to start at an earlier date.

The Partnership requested that in future - for all LEP schemes marked red on the RAG Report – half a page of A4 is provided detailing the reasons why the project is red rated and the corrective action necessary to unblock the problems identified.

Item 7 - Future meeting dates

The future meeting dates were agreed as:

- 11 April 2016
- 14 June 2016
- 1 August 2016
- 4 October 2016
- 12 December 2016

All meetings will be held at the Village Hotel, Maidstone at 5pm.

Item 8 – AOB

There was no other business.

ITEM 2B

Date: 11 April 2016

Subject: Action Tracker and Progress Update

The table below provides a brief update on matters previously discussed by the Board.

Topic	Board paper ref	Progress update
Future rail franchising in Kent & Medway	09/2015 Item 3	<ul style="list-style-type: none"> • Consultation seeking partner views on new franchise to inform Kent and Medway response has now closed. • Outcome to be reported to KMEP on 14 June 16. • DfT consultation on new franchise to run from June to October. • KMEP response submitted on 18 March 16 to DfT, Mayor of London and TfL on their prospectus entitled “A new approach to rail passenger services in London and the South East”.
Skills Commission	09/2015 Item 4	<ul style="list-style-type: none"> • See the full report in Item 3 in this agenda pack.
Lower Thames Crossing	10/2015 Item 3	<ul style="list-style-type: none"> • KMEP consultation response submitted on 24 March 2016 to Highways England and Secretary of State.
Growth Hub	10/2015 Item 4	<ul style="list-style-type: none"> • Kent and Medway Growth Hub is operational and can be accessed at: www.kentandmedwaygrowthhub.org.uk • KCC is commissioning an external review of the Growth Hub. The review will be reported to KMEP on 14 June 2016.
European Structural Funds	10/2015 Item 5	<ul style="list-style-type: none"> • A call will be made in summer 16 for new applications for EAFRD funding. The projects should focus on Business Development, Agri-food and/or Rural Tourism.
South East LEP Recruitment	10/2015 Item 8	<ul style="list-style-type: none"> • Chris Brodie has been appointed Chairman of SELEP.

		<ul style="list-style-type: none"> • Managing Director interviews are taking place on 11 April 2016. Paul Thomas is representing KMEP on the interview panel. • SELEP Capital Programme Manager role is being advertised until 6 April.
Autumn Statement/LGF 3 funding	12/2015 Item 7	<ul style="list-style-type: none"> • See the full report in Item 6 in this agenda pack.

ITEM 3

Date: 11 April 2016

Subject: Kent & Medway Skills Commission & Engagement of Guilds

Report authors: Paul Winter, Kent & Medway Skills Commission Member
Sue Dunn, Kent & Medway Skills Commission Member

Summary: This paper explains the structures surrounding the newly formed *Kent and Medway Skill Commission* and the bodies with which it will be required to communicate. It sets out governance arrangements, current membership, terms of reference and skills priorities for 16/17.

The Board is recommended to:

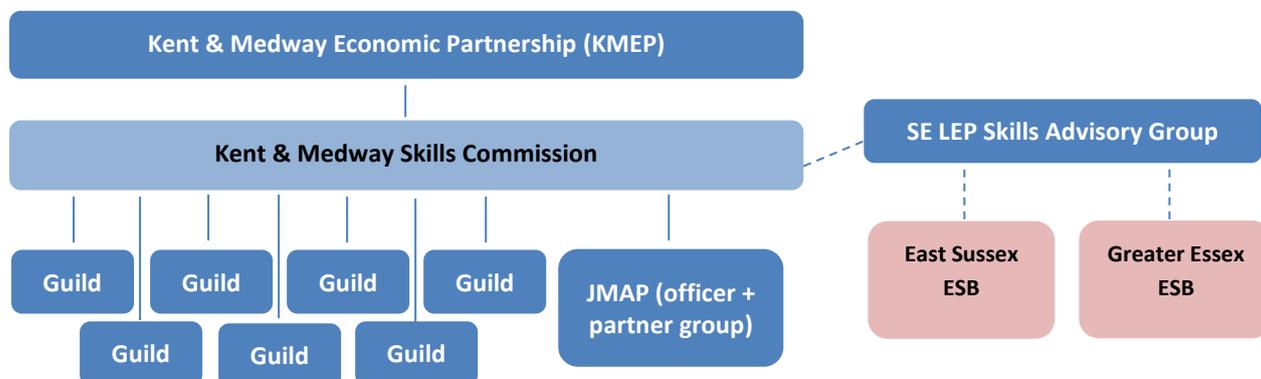
- (i) Note the progress made against the agreed skills priorities.
 - (ii) Agree to the production of a Kent and Medway Skills Statement that synthesises the 14-24 and Adult Learning Employment & Skills Strategies, the Medway Skills Strategy (in progress) and the priorities agreed by KMEP.
-

1. Introduction

- 1.1 The South East Local Enterprise Partnership is structured on a 'federated' model, with three sub areas: Kent and Medway, East Sussex and 'Greater Essex'. Each of the three sub-areas operates their own 'Education and Skills Board' (ESB) comprising representatives from education and training providers and employers to create an education/industry interface.
- 1.2 Kent and Medway has operated an Education, Learning and Skills Partnership Board since 2013, a group which evolved from the 14-24 (Education and Skills) Planning Forum. This board included representatives from education, funding bodies (EFA and SFA), training providers and FE Colleges, as well as a small representation from employment.
- 1.3 Following KMEP's recommendation in October 2015 to establish a Skills Commission, the number of employer representatives on the Skills Board, nominated by the Guilds was significantly increased and new terms of reference, and priorities, were drawn up to launch the new *Kent and Medway Skills Commission*, effectively Kent and Medway's ESB. The first meeting of this group was in December 2015.

2. Kent & Medway Skills Commission Governance

2.1 The Kent and Medway Skills Commission is a sub-group of KMEP, and informed by the guilds and strategic partners as the diagram shows:



2.2 Kent and Medway Economic Partnership

2.2.1 The Kent and Medway Skills Commission will report regularly to KMEP. This will include agreeing the skills priorities for Kent & Medway, identifying potential growth areas for skills, and areas of concern. The Skills Commission will develop a range of projects and programmes to address priorities set out by the KMEP, and provide regular feedback on progress and evaluate outcomes.

2.2.2 KMEP discusses a range of issues affecting business including infrastructure, transport and legislation. Through the creation of the Skills Commission, 'Skills for Business' is now given a higher priority within the work activities of KMEP. Currently the KMEP representatives sitting on the Skills Commission are Paul Winter (Chairman of Wire Belt Ltd) and Jo James (Invicta Chamber of Commerce).

2.3 Guilds

2.3.1 The aim of the guilds is to meet the skills and training needs of Kent and Medway industries by working in partnership with relevant sector experts alongside skills and training providers. The role of the guilds will be to develop and increase effective apprenticeship programmes, develop sector specific workforce development strategies, promote priority sectors to young people, share good practice and identify funding streams to enhance skills and training provision across Kent. The role and terms of reference for the steering groups for the guilds is attached as Appendix 1.

2.3.2 There are seven Guilds operating, these are:

- Construction and the Built Environment
- Creative and Media
- Engineering and Advanced Manufacturing, Environmental Technologies and Energy
- Healthcare
- Hospitality, Leisure, Tourism and Transport

- Land-Based Industries
- Life Sciences

2.3.3 Plans are under way to create a guild in the marine sector and public sector. Further discussion needs to take place to ensure that the logistics sector is appropriately represented.

2.3.4 Role of the Guilds

2.3.4.1 An important role and function for the guilds is to determine their requirements, in terms of revenue or capital funding, in order to inform KMEP and SELEP and agree a pipeline of projects. It is proposed that each guild considers the priorities, new projects and programmes that they wish to have considered by the Skills Commission and KMEP, as a standing agenda item at each guild meeting. In some cases this may require the creation of a task and finish group to work up the details of a programme or project; two guilds have already gone down this route. An employer representative will report on the outcomes and required actions of each of the guilds at the Skills Commission and when agreed take recommendations to KMEP.

2.3.5 Key issues from Guilds to date

2.3.5.1 Each industry sector faces different challenges and each guild will need to respond appropriately. However, at the early meetings of the guilds, it has become apparent that there are some generic issues that affect sectors, including:

1. Members of each guild have expressed concern at the lack of understanding of their sector, or the workplace in general, on the part of young people;
2. Concerns about the lack of work-ready young people coming through with the right skills and experience of the workplace in general;
3. The need for a promotional campaign to encourage schools and education providers to visit local employment sites and industry;
4. Concerns about the Apprenticeship Levy;
5. Need to develop a quality standard for work experience and employability pathway for young people; and
6. Upskilling of existing workforce and easy access to adult training opportunities.

2.3.5.2 Engagement and support of employers at the recent guild meetings has been very encouraging, with good attendance. This reflects of high level of enthusiasm and a desire to influence education and training provision. However, if we wish to retain the interest and enthusiasm of employers it is important that the guild discussions are translated into actions and are endorsed and supported by the Skills Commission and KMEP.

3. Other key groups supporting the work of the Kent & Medway Skills Commission

3.1 SE LEP Skills Advisory Group (working group of the LEP)

3.1.1 The Kent & Medway Skills Commission informs and updates the SE LEP Skills Advisory Group, which is chaired by Graham Razey. The Skills Advisory Group is a pan-LEP

group that makes representation to the SE LEP Board regarding any matters relating to training and skills. This is a technical group of local authority officers and representatives from ESBs.

- 3.1.2 The Kent & Medway Skills Commission agreed that Allan Baillie continues as their representative on the SE LEP Skills Advisory Group. It was agreed that a report of the activities of the Skills Advisory Group will be a standing agenda item for the Kent & Medway Skills Commission.
- 3.1.3 Each of the three ESBs (Greater Essex, East Sussex, Kent and Medway) has been tasked with producing a Skills Strategy for their federated area, which will form the SELEP Skills Strategy, this work will be overseen by the Skills Advisory Group.

3.2 Joint Managers and Partners Meeting (Kent & Medway)

- 3.2.1 The Joint Managers and Partners group is an operational officer group including FE Colleges (KAFEC), training providers (KATO), JCP, CXK, EBP and staff from KCC, Medway Council. The group is convened and chaired by KCC Skills and Employability Service, and meets six times per year, developing strategies and action plans with occasional task and finish groups. This group will support the Skills Commission in delivering its priorities.
- 3.2.2 Along with the guilds, JMAP will report directly to the Kent and Medway Skills Commission as appropriate.

4. Terms of reference and Membership of the Kent and Medway Skills Commission

- 4.1 The terms of reference and current membership for the Skills Commission are attached as Appendix 2. These terms of reference were agreed by KMEP on 1st December 2015. An independent chair is being approached to lead the Skills Commission.
- 4.2 The skills priorities for 16/17 have been discussed by the Skills Commission, and were incorporated into KMEP's Compelling Case for Change. These priorities and progress to date are shown below:

Ensuring that we have excellent labour market intelligence and making sure that this intelligence is used effectively.

Progress:

- District 'Datapacks', containing information about the education/training offer and local labour market information have been produced and are available online to education and training providers (<http://www.kelsi.org.uk/skills-and-employability/14-to-19-25-curriculum-pathways/district-data-packs>).
- The formation of the employer guilds has provided an opportunity for employers to inform labour market intelligence, adding a qualitative dimension to the quantitative data available.

Developing a Careers Education, Information, Advice and Guidance (CEIAG) Framework for all Kent and Medway schools and FE colleges which includes labour market trends and raises the profile of opportunities within the guilds.

Progress:

- Labour Market Information is included in the *District Datapacks* and will be reviewed on a regular and timely basis.
- In conjunction with the Careers Enterprise Company (CEC) a co-ordinator is currently being recruited to work with twenty identified coastal schools in establishing and improving employer engagement.
- There is a well established CEIAG Network, as recognised by Prof. Tristram Hooley (University of Derby) in previous reports. The Skills & Employability Service has commissioned further analysis on CEIAG across the County in order to inform improvement.

Increasing the number of apprenticeships.

Progress:

- The number of 16-18 Apprenticeships has increased and is set to exceed the target by the end of the Academic year (July).
- Each of the guilds has been tasked with promoting and encouraging apprenticeships within their respective sectors. Projects are under way to address the structural issue of the dominance of SMEs in the County, bringing small employers together to 'share' apprentices.
- FE Colleges in Kent are responding well to the call for growth of apprenticeship numbers increasing their employer engagement and developing new opportunities. There has been a noticeable shift in (staff) resource towards apprenticeship development.

Extending the growth of higher education as a key driver of innovation and productivity. Working with our four universities, we will ensure strong progression routes, especially in the scientific, technical and engineering skills that the economy needs.

Progress:

- One of the first Degree Apprenticeships was established at Greenwich University (Medway Campus) in Engineering. This has proved to be successful and is regarded as a model of good practice. Greenwich University is developing a range of Degree Apprenticeships across faculties (including Law and Business)
- Pfizer has established a Degree Apprenticeship in Science working with two HE institutions (MMU and Greenwich). This connects well with work at the Discovery Park where EK College and Pfizer have developed a level 3 Apprenticeships, so that there is a clear pathway achieving an 'escalator to higher skills'.
- Christ Church College is investigating establishing degree Apprenticeships from September this year.
- Higher and Degree Apprenticeships are seen as a priority by National Apprenticeship Service (NAS) and will be promoted through the UCAS application process as a sixth option.

Developing a new model to inform 14-24 pathways across Kent and Medway. In particular, we must better manage the negative impacts of competition between providers, which often limits the real choices available to young people, especially in relation to technical and vocational learning.

Progress:

- A 'District Offer' has been established, developing provision in each District to reduce NEETs and provide learning opportunities in technical education. Now available on line as part of *Kent Choices*.
- The pathways includes examples of collaboration between providers, such as FE colleges, training providers and schools, in order to develop progression pathways.

Ensuring that the resources available for technical and vocational learning are maximised and distributed effectively.

Progress:

- The Skills Commission has recruited membership from employer guilds partly in order inform future distribution of resources for training.
- The guilds have been tasked with developing a pipeline of capital, equipment and revenue projects for their specific sectors, so that, should funding become available, such projects can be prioritised.

Reducing unemployment among people aged 18-25, substantially cutting the number of young people not in employment, education or training (NEET).

Progress:

- The 'District Offer' has been designed to provide alternative learning opportunities, including short term, 'front end' training to re-engage young people in training.
- The Skills and Employability Service is working towards the establishment of a Social Impact Bond to combat youth unemployment. If successful this will have a major impact on reducing youth unemployment and sustaining it at low levels.

Reforming community learning, so that it is focused on the needs of the Kent and Medway economy, ensuring that those most distant from the labour market are supported back to work.

Progress:

- The Service Specification for Community Learning and Skills (CLS) has been rewritten to include significant elements responding to local economic needs, including skill training in priority sectors and outreach into communities currently under-represented in learning & training.

4.3 In addition to these agreed skills priorities for 16/17, the Skills Commission supports the delivery of existing Learning, Employment and Skills Strategies. KMEP is asked to agree the production of a Kent and Medway Skills Statement that synthesises the priorities from the 14-24 and Adult Learning Employment & Skills Strategies, the Medway Skills Strategy (in progress) and the priorities agreed by KMEP.

5. Conclusion

- 5.1 The Kent & Medway Skills Commission will ensure there is appropriate and meaningful engagement with employers and key stakeholders to influence the development of the Skills agenda across Kent and Medway. The Commission will inform and influence KMEP on decisions to improve education and skills opportunities for young people and adults across the LEP. The Skills Commission will continue to improve communications with employers to enable new programmes to develop to meet the local skills needs and will seek to influence and potentially manage new programmes through further devolution and new funding streams.

6. Recommendations

KMEP is asked to:

- (i) Note the progress made against the agreed skills priorities.
- (ii) Agree to the production of a Kent and Medway Skills Statement that synthesises the 14-24 and Adult Learning Employment & Skills Strategies, the Medway Skills Strategy (in progress) and the priorities agreed by KMEP.

7. Appendices

Attached to this document are:

- Guilds – Terms of Reference
- Kent and Medway Skills Commission – Agreed Terms of Reference

Guild –Terms of Reference

The group has been established to provide strategic advice and an informed perspective to identifying the need for skills succession and all forms of progressive employment including Apprenticeships, Traineeships and Work Experience in the Sector.

We want to raise the profile of the sector and promote it as a progressive employment pathway, whilst meeting the skills needs of the economy.

Purpose

The purpose of this Guild is to meet the needs of the industry by working in partnership to drive the delivery of the maximum /or, maximise the, number of sustainable apprenticeship hours via the procurement and delivery of projects across the client group in Kent.

The Guild will be a collaborative working partnership where agreement will be by consensus. It is not formally constituted, will not have any legal status or apply for funding in its own right.

1. Apprenticeships

- Provide a sustainable and effective model of apprenticeship delivery to meet the skills needs of the Guild sectors.
- Provide a flexible apprenticeship delivery model, enabling collaboration and increasing productivity.
- Deliver nationally recognised apprenticeship frameworks supported by the industry, which meet employers' needs.

2. Workforce Development

- Working with specialist sub-contractors and supply chains to cater for each occupation and identify skills and training requirements.
- Ensure there is appropriate and accessible provision for sectors to upskill the existing workforce.
- Identify skills and training opportunities and new provision to meet future skills needs.

3. Education, Employment and Skills

- To promote a positive image of the sector and shift perceptions
- To create a sustainable and long term infrastructure to support young people looking to embark on a career in the sector
- To support businesses to recruit and develop young people into sustainable jobs

4. Overarching Activities

- To ensure co-ordination and alignment of the group with that of organisations with shared interests.
- To share good practice, knowledge and experience with the group and ensure effective communications to all employers within the sectors.
- Respect all other steering group member's views and positions and support agreement via consensus.

5. Funding

- An important role and function for the *Guilds* will be to determine their requirements, in terms of revenue or capital funding, in order to inform KMEP and South East Local Enterprise Partnership SELEP.

Membership

- The Guild will consist of no less than 10 members and no more than 50.
- The Guild will include representatives from: Kent County Council, Local Authorities, Educational Institutions, FE, HE, Training Providers, Trade Associations, Procurement Representatives, Chambers of Commerce, Contractors and Suppliers, Local Employers and National Employers.
- Other representatives are welcome to attend the meetings.

Meetings

- The guild will meet bi- or tri-monthly
- The agenda and supporting documents will be sent at least 5 working days before the meeting.
- Members are welcome to make suggestions for the agenda or follow-up actions.
- Notes of the meeting will be sent out 5 working days after the meeting and members of the guild can make comments on omissions and mistakes.

December 2015

The Terms of Reference for the Kent and Medway Skills Commission

Aims

- maintain a credible labour market intelligence base to inform provision and ensure a strong employer voice
- identify areas in which delivery would be strengthened through the devolution of powers and/or funding to Kent and Medway
- develop and drive new approaches to the delivery of skills training in Kent and Medway
- support the delivery of the 14-24 Learning, Employment and Skills Strategy
- support the delivery of the Adult Learning, Employment and Skills Strategy
- identify key priorities for action to upskill the workforce in Kent and Medway
- influence the allocation of skills resources from EFA, SFA and LEP

Our Ambitions:

a) For Employers

Employers to shape and influence the delivery of skills training to ensure there is a skilled workforce to meet local economic needs.

b) For Young People

Our ambition is for all young people in Kent and Medway to become better qualified and skilled for employment; to be able to participate and achieve success in education and work based training at least until the age of 18 and to ensure more 18 to 24 year olds can access higher learning or sustained employment that is appropriate to their needs and relevant to the local and national economy.

c) For Adults

Our ambition for Kent and Medway providers will be to: maximise adult participation in training and learning in order to achieve economic growth, full employment, social inclusion and community cohesion.

Structure of the Kent and Medway Skills Commission:

1. The Board will appoint a Chair, which shall be reviewed annually
2. Membership of the Kent and Medway Skills Commission will be reviewed at least every two years (reflective of the skills need).
3. Members who miss three consecutive meetings without sending representation will be reviewed by the Commission.
4. Each Kent and Medway Skills Commission member will provide a named alternative for attendance in their absence.
5. Co-opting of Members is allowed where appropriate. Co-opting will be for a defined period of time and will not have voting rights.
6. The Kent and Medway Skills Commission will be supported by a Secretariat provided by Kent County Council

Membership

Executive Board of the Kent and Medway Skills Commission

Employer representatives	
Employer representation organisations (Chamber/FSB)	1
Guilds/sector representatives	10
LEP/KMEP representative (business member)	1
VCS representative (social enterprise)	1
Institute of Directors	1
Total (employers)	14
Providers	
Kent Association of Headteachers	1
Medway School representative	1
KATO (Kent Association of Training Organisations)	1
KAFEC (Kent Association of Further Education Colleges)	1
HE (Higher Education)	1
Total (providers)	5
Strategic partners	
KCC	1
Medway	1
District Councils	1
JCP (Job Centre Plus)	1
EFA (Education Funding Agency)	1
SFA (Skills Funding Agency)	1
Total (strategic partners)	6
Grand total:	25

The working Executive Board will establish and commission a range of specialist project groups as required.

Officers from partner organisations will be in attendance as and when they are required.

The Kent and Medway Skills Commission will develop an action plan for business growth which will:

1. Assess gaps in skills training and advise schools, FE, HE and work-based learning providers on strategic planning and co-ordination of post-14 provision. Ensuring there is equality of access to appropriate education and training , traineeships and apprenticeships which provides opportunities for progression into sustained employment or further training.
2. Assess the impact on Kent and Medway of national funding arrangements for post-14 provision and to advise the LEP, LA, EFA , SFA, FE, HE and work-based learning providers on local priorities to meet the needs of learners and employers.
3. Ensure that employers influence and review skills training provision across Kent and Medway
4. Monitor, evaluate, continually seek to influence and improve skills and training opportunities with the agreed priority sectors across Kent and Medway.

5. Commission activities, as appropriate, and improve aspects of skills training in Kent and Medway, to include employer engagement work experience, careers guidance, upskilling existing employees and employability skills.
6. Lead on LEP skills and training by influencing, informing and advising KMEP and SELEP Board on skills priorities (to aggregate into a LEP Strategy), activities and funding allocations. Develop a pipeline of capital and revenue programmes.

The Kent and Medway Skills Commission will:

1. deliver an annual conference for all partners to promote skills development and effective employer engagement
2. support the development of a website and an effective communications strategy on skills opportunities for employers
3. develop an three year plan with annual reviews, which sets out the priorities and monitors the impact of the Kent and Medway Skills Commission
4. support and influence the development of the Guilds
5. promote traineeships and apprenticeships to improve the skills-base across Kent and Medway
6. oversee the activities and monitor the impact of the Careers and Enterprise Board Coordinator

ITEM 5

Date: 11 April 2016

Subject: Kent County Council's Local Transport Plan 4

Report author: Joseph Ratcliffe, Transport Strategy Manager, Kent County Council

Summary

Kent County Council (KCC) has a statutory duty to have a Local Transport Plan (LTP). KCC is in the process of replacing its LTP (the current LTP is dated 2011-16).

This report summarises the key components of the new LTP, which incorporates a refresh of Growth without Gridlock (Kent's Transport Delivery Plan) and will be integrated with a refresh of the Kent and Medway Growth and Infrastructure Framework (GIF) and the South East Local Enterprise Partnership (SELEP) Strategic Economic Plan (SEP). Transport Strategies that support districts' Local Plans should have regard for the policies contained within an LTP and accordingly the districts have been asked to input their priority schemes to the document. Prior to statutory consultation, the view of KMEP is being sought on the strategic and district priorities and schemes to be included.

The Board is recommended to:

- Note the production of an LTP4 and
 - Provide their views on strategic and district priorities for inclusion in the Local Transport Plan by 22 April 2016.
-

1. Background

1.1 Kent County Council (KCC) is in the process of replacing its Local Transport Plan as its current third Local Transport Plan (LTP3) is dated 2011-16. Under the Local Transport Act 2008 it is a statutory requirement for KCC to have a Local Transport Plan (LTP) in place, although the Act allows Local Transport Authorities (LTAs) the freedom to replace LTPs as and when they see fit rather than having a five year planning horizon as stipulated in the previous legislation (Transport Act 2000). The LTP is a critical tool by which Kent attracts investment from Government in transport schemes. It is thus vital that Kent has a robust LTP in place.

- 1.2 The current LTP3 is a five year plan (2011-16), and as such, is relatively short term in horizon and focus. The current refresh provides an opportunity for KCC to produce a longer-term plan. This will enable the Council to take a strategic view of transport along the same timescales as the county's growth ambitions.
- 1.3 As such, with the current refresh, KCC will take the opportunity to integrate the LTP with Kent's transport delivery plan (which is called Growth without Gridlock (GwG)). GwG was produced around the same time frame as the current LTP3, but as a separate document that set out the strategic aims for transport to support economic growth in Kent. Many of the ambitions of that strategy have been achieved and so the development of the new LTP4 will be integrated with a refresh of GwG.
- 1.4 Critically, the new LTP4 will also feed into a refresh of the Kent and Medway Growth and Infrastructure Framework (GIF), which this Board has received previously. The GIF identifies the county's infrastructure needs to support planned growth to 2031. As the LTP4 identifies changes to or new transport infrastructure priorities, these priorities will input into the refresh of the GIF.

2. Document layout

- 2.1 The proposed new LTP4 will cover three main sections: 'Transport in Kent', 'Strategic Priorities' and 'District Priorities' with accompanying technical annexes. This is explained in more detail below.
- **Foreword** – This Local Transport Plan articulates what we will do to make sure transport is playing its part in making Kent a great place to live, work and do business by helping deliver on our very real growth potential.
 - **Transport in Kent** – Section 1 will set out the background to Kent's transport issues, KCC's priorities for transport, our requirements of Government, links to the South East Local Economic Partnership (SELEP), and funding opportunities. This will include an understanding of how transport can support growth, an overview of our strategic outcomes (see paragraph 2.2) and policies for transport, what funding sources are available, and alternative funding strategies.
 - **Strategic priorities** – Section 2 will set out KCC's strategic transport priorities, which will essentially include the update of 'Growth without Gridlock'. It is proposed that this section will include delivering growth in the Thames Gateway (to include A2 Bean and A2 Ebbsfleet junction upgrades, and Crossrail extension), a new Lower Thames Crossing, bifurcation of port traffic, port expansion at Dover, a solution to Operation Stack, Thanet Parkway Rail Station, Ashford International Station signalling, creating an integrated public transport network by working with bus operators and influencing the rail franchise, and our policy on aviation (supporting growth at regional airports and opposing a Thames estuary airport or second runway at Gatwick).
 - **District priorities** – Section 3 will set out schemes that have been identified as necessary in each district by the GIF, schemes funded by LGF, and schemes yet to

be funded but identified in the SEP. We will work closely with each district in preparing this section.

- **Technical annexes** - Comprising a prioritisation method for the Integrated Transport Programme (small schemes), the implementation plan for the ITP, and the implementation plan for the Crash Remedial Measures Programme.

2.2 The new LTP takes an outcomes-based approach and all transport schemes should achieve at least one of the five outcomes, as follows:

1. Economic growth and minimising congestion (resulting from population increase)
2. Affordable and accessible door-to-door journeys
3. Safer travel
4. Enhanced environment
5. Better health and wellbeing

2.3 The prioritisation method for small scale local transport schemes delivered through the Integrated Transport Programme (ITP) uses assessment criteria under each of these outcomes in order to assess the impact and value for money of a scheme that is eligible for ITP funding.

3. Next Steps

3.1 Transport Strategies that support districts' Local Plans should have regard for the policies contained within an LTP and therefore KCC is working with district and borough councils regarding 'District Priorities' in order to help define the priority transport schemes in their areas. Every district has been contacted and is requested to provide lists of potential transport schemes for their areas by **22 April** at the latest for inclusion in the draft LTP (returns to joseph.ratcliffe@kent.gov.uk please). These priority schemes could also be candidates for Local Growth Fund (LGF), and it is important that our overall strategy for transport in Kent aligns with bids for such funding.

3.2 Once drafted, the LTP4 will be subject to a Strategic Environmental Assessment (SEA) and be subject to a 12 week statutory public consultation. The Plan will then be updated following consultation and will be taken back to KMEP and the districts, before being taken to Environment and Transport Cabinet Committee, Cabinet, and County Council for adoption in December.

4. Recommendations

4.1 The Board is asked to note the production of an LTP4 and to provide their views on strategic and district priorities (a draft of which is appended) for inclusion in the Local Transport Plan prior to the public consultation.

Local Transport Plan 4 - District Priorities

These are the infrastructure requirements in each district to support forecast population increases as identified in the South East Local Enterprise Partnership's (SELEP) Strategic Economic Plan (SEP) and the Kent and Medway Growth and Infrastructure Framework (GIF).

The third column, 'Future Schemes', has been left blank for the relevant district council to populate with their own priority transport schemes – [Completed columns showing potential transport schemes to be returned to joseph.ratcliffe@kent.gov.uk by **22 April** please].

Ashford

SEP Schemes	Schemes identified in the GIF	Future Schemes
Ashford International rail connectivity (Ashford Spurs).	Improved public transport connections between Ashford International Station and major growth sites to facilitate development.	
A28 Chart Road.	A28 Chart Road scheme to alleviate existing congestion and enable major growth.	
	M20 Junction 10a to unlock land for development to the south of Ashford.	

Canterbury

SEP Schemes	Schemes identified in the GIF	Future Schemes
Sturry Link Road.	Key investment projects at Wincheap: <ul style="list-style-type: none"> • A2 off-slip road; • Relief road; • A new roundabout. 	
A28 Sturry Road integrated transport package.	New A2 interchange at Bridge.	
	Herne Relief Road.	

Dartford

SEP Schemes	Schemes identified in the GIF	Future Schemes
A226 London Road/St Clement's Way.	A new Lower Thames Crossing to the east of Gravesend to alleviate congestion at the Dartford Crossing and facilitate growth.	
Dartford town centre improvements.	Expansion of the Fastrack bus network to support growth in Dartford and Ebbsfleet, helping achieve modal shift away from the car.	
	Significant infrastructure to support the London Paramount proposals.	

	A2 Bean strategic junction improvements, including a new bridge.	
	Strategic junction improvements at Ebbsfleet/A2 interchange.	
	Walking and cycling infrastructure, and improved connectivity.	

Dover

SEP Schemes	Schemes identified in the GIF	Future Schemes
Middle Deal transport improvements.	Improvements to the A20 for the Western Docks.	
Dover Western Docks Revival.	Projects to facilitate development at Whitfield.	
Dover waterfront link to town centre.	A256 new junction.	
	A2/A258 Duke of York roundabout improvements.	
	Whitfield Bus Rapid Transit.	

Gravesham

SEP Schemes	Schemes identified in the GIF	Future Schemes
Rathmore Link Road.	Increasing highway capacity in Gravesend to facilitate development at multiple sites: <ul style="list-style-type: none"> • A226 Thames Way dualling; • Rathmore Road link; Springhead bridge.	
	A transport interchange at Gravesend.	
	Crossrail extension.	
	Expansion of the Fastrack bus network.	
	Improved link between Northfleet and Ebbsfleet stations required to facilitate interchange.	
	A new Lower Thames Crossing to the east of Gravesend.	

Maidstone

SEP Schemes	Schemes identified in the GIF	Future Schemes
Maidstone gyratory bypass.	'Smart' (managed) motorway from M20 Junction 3 to 5 to improve capacity.	
Maidstone sustainable access to employment areas.	M20 Junction 7 improvements.	

Maidstone Integrated Transport Package.	Maidstone Integrated Transport Package.	
	Thameslink extension to Maidstone East by 2018 giving a direct rail link again to the City of London.	
	The southeast Maidstone Relief Road.	

Sevenoaks

SEP Schemes	Schemes identified in the GIF	Future Schemes
	M26 capacity improvements, for example the use of 'smart' (managed) motorway system.	
	M25/M26 east facing slips to alleviate movement restrictions.	
	Sevenoaks Urban Traffic Control (traffic signal coordination) and HGV monitoring.	

Shepway

SEP Schemes	Schemes identified in the GIF	Future Schemes
Folkestone Seafront transport.	Schemes to support growth along Folkestone Seafront: <ul style="list-style-type: none"> • Grace Hill System; • Tontine Street junctions. 	
Westenhanger lorry park.	Schemes to support Shorncliffe Garrison: <ul style="list-style-type: none"> • Horn Street bridge improvements; • Links from the site to Cheriton High Street and Seabrook Valley. 	
Newingreen junction improvements.	Growth at Lydd airport may require highway infrastructure improvements.	
Cheriton High Street/A20.	Upgrades to M2 Junction 11.	

Swale

SEP Schemes	Schemes identified in the GIF	Future Schemes
Sittingbourne town centre regeneration.	Critical scheme at M2 Junction 5 to support Swale towns, development sites and the county.	
	Need for improved public transport connections between Isle of Sheppey, Sheerness and Sittingbourne.	
	A249/Grovehurst Road junction, which is key to developing northwest Sittingbourne.	

	Potential to extend the Northern Relief Road to the A2 and longer term to the M2 to relieve traffic in Sittingbourne and the A2.	
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Thanet

SEP Schemes	Schemes identified in the GIF	Future Schemes
Thanet Parkway railway station.	Margate junction improvements unlocking major sites.	
	Westwood Town Centre Strategy Link Road.	
	Thanet Loop road improvements.	
	Major improvements to rail journey times and connections to London to support economic growth – Thanet Parkway (also benefitting Discovery Park), High Speed journey times.	

Tonbridge and Malling

SEP Schemes	Schemes identified in the GIF	Future Schemes
Tonbridge town centre regeneration.	M20 Junction 3 to 5 'smart' (managed) motorway system.	
	A20 corridor improvements between major development sites.	
	Potential for Urban Traffic Control (traffic signal coordination) in Tonbridge.	

Tunbridge Wells

SEP Schemes	Schemes identified in the GIF	Future Schemes
M20 Junction 4 eastern overbridge.	A264 corridor capacity improvements.	
A26 London Road/Speldhurst Road/Yew Tree Road.	A26 corridor capacity improvements.	
North Farm Relief Strategy.	Upgrading the A21 to dual carriageway between Kippings Cross and Lamberhurst.	
Tunbridge Wells park and ride.	A228 Colts Hill scheme.	
Pembury Road Phase 1.		

Cross-District Local Growth Fund Schemes

These schemes are from the SEP:

- West Kent LSTF.
- Kent Thameside LSTF.
- Kent Strategic Congestion Management programme.
- Kent Sustainable Interventions supporting growth programme.
- Sustainable access to education and employment (Kent Rights of Way Improvement Plan).
- East Kent LSTF
- Operation Stack and overnight lorry parking.
- Additional Operation Stack and overnight lorry parking.

ITEM 6

Date: 11 April 2016

Subject: Local Growth Fund Round 3: Future Projects &
Large Local Major Schemes

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

Summary

Following the Budget, the Government has announced two calls for additional Local Growth Fund projects, to be submitted via Local Enterprise Partnerships:

- a) **'LGF 3'**, an unringfenced capital pot similar to the previous Local Growth Fund rounds; and
- b) **'Large Local Major Schemes'**, for a limited number of large transport projects.

Project proposals for both will need to be submitted before the Summer Recess.

This paper sets out what we currently know about the forthcoming rounds. It suggests some criteria which the Board may wish to adopt in considering potential projects and outlines likely next steps.

The Board is recommended to:

- a) Note the emerging guidance for the new project calls;
 - b) Consider and agree the proposed criteria and process to bring forward LGF3 schemes; and
 - c) Consider the potential for schemes from Kent and Medway to access Large Local Major Schemes funding.
-

1. Introduction

1.1. The Local Growth Fund is a £12 billion capital fund operating over six years from 2015/16. In the first two rounds of funding, £152 million was allocated to schemes in Kent and Medway, primarily for transport projects. In addition, a further £22 million Skills Capital programme was allocated across the South East LEP.

1. 2. In the recent Budget, the Government announced the release of a further tranche of LGF funding through two project calls:
 - a) 'LGF 3': £1.8 billion nationally: an unringfenced capital fund similar to LGF rounds 1 and 2; and
 - b) 'Large Local Major Schemes': £475 million nationally for large transport schemes with a cost estimate of over £75 million.

2. Local Growth Fund 3 (LGF 3)

Guidance and purpose

- 2.1. It is anticipated that the Government will issue guidance on the allocation process for LGF 3 in the next few weeks. It is likely that the Government's approach will be similar to that followed in the previous two rounds, which would mean that:
 - Funds will be allocated to Local Enterprise Partnerships through a competitive process, based on the strength of specific project proposals and their alignment with a wider strategy for economic growth. In line with the South East LEP's federated model, it is anticipated that KMEP will identify the priorities for Kent and Medway, for subsequent endorsement by the LEP;
 - Any new funds will be managed in the same way as existing LGF allocations (i.e. any new allocations will be indicative and full business cases will need to be developed and approved through the South East LEP's Assurance Framework);
 - The Fund is notionally unringfenced and there are unlikely to be formal, centrally-set criteria. While a large share of the funding is derived from the Department for Transport, non-transport schemes may receive funding, and have done through the previous rounds;
 - Generally, the Government is likely to prefer proposals for specific capital projects, rather than proposals for investment funds, unless there is a very strong business case.
1. 3. Based on population, a proportionate share of the £1.8 billion fund would mean roughly £60 million for Kent and Medway. However, this may be optimistic, given the commitments that the Government has made to the Northern Powerhouse and similar programmes, which it is suspected may be partially funded through LGF.

Potential criteria for schemes in Kent and Medway

2. 1. Since Rounds 1 and 2, the process for converting indicative allocations into approved schemes has become much clearer, and there is now a good understanding of the requirements that need to be met for full business cases to be approved. The Kent and Medway Growth and Infrastructure Framework also now provides a Kent and Medway-wide evidence base for infrastructure requirements, which will be refreshed

over the next couple of months and can be taken into account in identifying priority schemes.

2. 2. Based on this - and subject to any guidance which may emerge from Government - potential criteria which the Board may wish to consider include:

<i>Proposed schemes must...</i>	
Strategic	<ul style="list-style-type: none"> • Be supported by the relevant local authority/ authorities (i.e. in Medway by Medway Council and in Kent by both the relevant district and KCC) • Be identified in the Kent and Medway Growth and Infrastructure Framework or a published growth plan
Economic	<ul style="list-style-type: none"> • Clearly demonstrate contribution to economic growth • Show realistic and evidenced economic outcomes (e.g. increased employment, additional housing, improved skills) • Be clearly additional (i.e. clearly demonstrating that LGF funding is not substituting for funds that have already been committed)
Deliverability	<ul style="list-style-type: none"> • Demonstrate that all LGF expenditure will take place during the programme period (i.e. by March 2021) • Contain timescales that realistically allow for project development and relevant permissions
Financial	<ul style="list-style-type: none"> • Be capital expenditure • Show independently-assessed cost estimates • Demonstrate value for money (business cases appraised by the Independent Technical Evaluator and approved by the Accountability Board conventionally have a cost-benefit ratio of 2 or greater) • Demonstrate that should the LGF allocation be secured, full project funding is committed to enable the scheme to proceed (<i>over the programme as a whole, the Government is likely to want to see evidence of at least 50% of programme value, although match funding at project level may vary</i>).
Compliance	<ul style="list-style-type: none"> • Be compliant with state aid regulations (based on initial assessment) • Be compliant with procurement legislation

2. 3. The Board may wish to consider whether any additional criteria should be considered at this stage.

Identifying potential schemes

2. 4. Following submissions to previous LGF rounds and the identification of projects within the Growth and Infrastructure Framework, a number of potential schemes have already been identified. Partners will also be well-advanced in developing proposals.
2. 5. While the guidance is awaited from Government, it is suggested that a long list of identified schemes is prepared for circulation to KMEP Board members and the local authorities, based on existing strategies. This can then form the basis for consideration by partners (including through the discussions on the GIF and Local Transport Plan suggested in Item 5) and the development of outline business cases.

Prioritisation process

2. 6. In previous rounds, the Government has asked for a clearly prioritised list of projects; in Round 2, the prioritised list that KMEP agreed was fully adhered to in the Government's allocation. So while the prioritisation process is challenging, it does mean that KMEP has a significant voice in determining what is funded.
2. 7. A possible prioritisation process could run as follows:
 - a) Basic eligibility check of outline business cases, based on the criteria above;
 - b) Initial value for money assessment, based on either the benefit-cost ratio calculated within the business case or a headline assessment of costs against the economic outputs stated, depending on the level of information available;
 - c) Consideration of eligible projects, alongside the initial VfM assessment, by KMEP Board.
2. 8. The first two stages could be commissioned from independent consultants or could be carried out by the KMEP team. In either case, the KMEP Board will agree the final prioritised list.
2. 9. It is anticipated that business cases will normally be developed by the project promoter. Promoters may wish to bear in mind the resource implications of this in putting forward project proposals.

Forward timetable and next steps

2. 10. It is likely that the deadline for submissions to Government will be around 5 July. If this is the case, the following timetable could apply:

Current scheme list circulated	15 April
Deadline for outline business cases	23 May
Eligibility check/ high level VfM assessment	2 June
KMEP Board consideration of schemes	14 June
LEP Board/ Accountability Board endorsement	24 June
Submission to Government	5 July

- 2.10. This anticipates a substantial discussion to agree KMEP's proposals at the next meeting on 14 June. This timetable will need to be confirmed once the Government guidance is published.

3. Large Local Major Schemes (LLMS)

Guidance and purpose

- 3.1. The Large Local Major Schemes fund is intended to support transport schemes which are too large to receive LGF. The emerging guidance suggests that schemes are likely to have a minimum funding threshold of £75 million, with a 5 July application deadline.
- 3.2. As with LGF 3, funding will be allocated via LEPs, and will be based on a competitive process. As the fund itself is only £475 million nationally, only a limited number of schemes will be funded nationally.
- 3.3 To bid for LLMS, LEPs are required to submit large scale transport business cases to the Department for Transport, which are compliant with the Department's business case development methodology (WebTAG³).
- 3.4 The DfT recognises that there are very few large scale projects with a business case already development due to the high cost of undertaking this type of project development work. The DfT will therefore be allocating some of the £475m to support LEPs in the development of project business cases. To bid for this LLMS development fund, LEPs are required to submit Strategic Outline Business Cases.
- 3.5 To secure DfT LLMS development funding, bids should have a proportion of match funding, have a strong strategic case and must demonstrate that the scheme cannot be funded through the Local Growth Fund.
- 3.6 Where DfT LLMS development fund is made available to support the project development work and production of the business case, there is no guarantee that projects allocated this development funding will be approved capital funding for project delivery.

Identifying schemes in Kent and Medway

- 3.7 In Kent and Medway there are unlikely to be any Large Local Major Schemes which are sufficiently developed to submit a WebTAG compliant Transport Business Case to bid for LLMS funding towards project delivery. However, the DfT's LLMS development fund could provide the opportunity for KMEP to bid for funding to develop projects which are currently at an early stage of development, to a stage of having a developed WebTAG compliant Business Case.

WebTAG – Department for Transport's Transport Assessment Guidance to development Transport Business Cases.

3.8 Linked with the refresh of the GIF, and taking into account the views of KMEP and local partners, work will take place to identify the potential in Kent and Medway to bid for LLMS development funding. This will of course need to bear in mind the significant amount of work that will need to be in place to submit a strategic outline business case of this scale. KMEP Board may wish to highlight any schemes that should be considered.

4. Recommendations

4.1. The Board is recommended to:

- a) NOTE the emerging guidance for the new project calls for LGF3 and the LLMS fund;
- b) CONSIDER AND AGREE the proposed criteria and process to bring forward LGF3 schemes, subject to Government guidance; and
- c) CONSIDER the potential for schemes from Kent and Medway to access Large Local Major Schemes development funding.

ITEM 7

Date: 11 April 2016

Subject: Local Growth Fund: Delivery Progress Report

Report authors: John Farmer, Project Manager (Major Projects), Kent County Council
Rhiannon Mort, Principal Transport Planner, Kent County Council
Helen Dyer, Project Officer (LGF Projects), Medway Council
Steve Hewlett, Head of LGF Transport Projects, Medway Council

Summary

This report provides an update on the progress in delivering Kent and Medway's Local Growth Fund (LGF) programme.

The Board is recommended to:

1. Note the update on LGF project scheme delivery
 2. Consider the proposed allocation of KCC LGF programme underspend to help bridge the funding gap for Ashford Spurs project, as a scheme already included in the LGF programme.
-

1. Introduction

1.1 £148 million has been allocated from the Local Growth Fund (LGF) to capital projects – primarily transport schemes - in Kent and Medway.

2. Business case development

2.1 Project funding is only secured following the completion of a full project Business Case, its appraisal by the Local Enterprise Partnership's (LEP) Independent Technical Evaluator (ITE) (currently Steer Davies Gleave) and approval by the LEP Accountability Board.

2.2 Across Kent and Medway, funding has been secured for all schemes programmed to start in 2015/16.

2.3 At the last South East LEP (SELEP) Accountability Board on the 12th February, the Board approved the Business Cases and LGF allocation to those projects identified in Appendix 1 Table 1, totalling £21.6m. The projects due to be considered by SELEP

Accountability Board on the 8th April 2016 are identified in Appendix 1 Table 2. An update on the outcomes from the Accountability Board will be given at the next KMEP meeting.

3. Scheme delivery

3.1 A Red, Amber, Green (RAG) spreadsheet accompanying this report provides an overview of progress in delivering all the LGF capital projects in Kent and Medway through both Rounds 1 and 2 of the Growth Deal. This is supported by more detailed information in Appendix 4 on those projects highlighted as red on the spreadsheet.

For the KCC programme:

- 19 are green (business case approved, funding fully secured and delivery on target).
- 4 are amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);
- 3 are red (funding not yet secured and significant cost or delivery issues).

For the Medway programme:

- 5 are green (business case approved, funding fully secured and delivery on target)
- 1 is amber (funding not yet secured; or scheme delay or funding issue which can be mitigated)

4. Ashford Spurs Project

4.1 A particular delivery risk has been identified for Ashford Spurs project. Network Rail has worked to prepare a Business Case for submission to the ITE. The project Business Case and project development work has led to a revised anticipated project cost of £10.5 million, including project contingencies and risk. This substantially increases the project cost estimate and widens the funding gap to a £7.8m shortfall.

4.2 Network Rail will not proceed beyond September 2016 without the assurance of the full funding, including amounts required for contingency and risk, being in place to ensure the project can be completed.

4.3 A letter has been sent by the KMEP Chairman to Claire Perry, Parliamentary Under-Secretary of State to request support from the Government in bridging the funding gap required to deliver the project. However, a stronger case can be made to Government where all opportunities have been sought to manage the project funding shortfall within the existing LGF programme.

4.4 Where required, KMEP can re-profile project spend within the LGF programme. With the latest development in the Ashford Spurs project, it is proposed that KMEP members are asked to approve an additional £3m for Ashford Spurs from the current LGF programme underspend generated by Westenhanger Lorry Park (subject to the Government funding and delivering the lorry park at junction 11). This would bring the total LGF allocation for the Ashford Spurs project to £5m, helping to strengthen

the case to Government. More details on both projects can be found in Appendix 4 of this report.

5. Recommendations

The Board is recommended to:

- Note the update on LGF project scheme delivery
- Consider the proposed allocation of KCC LGF programme underspend to help bridge the funding gap for Ashford Spurs project, as a scheme already included in the LGF programme.

6. Appendices:

Appendix 1: Business Case Update

Appendix 2: RAG spreadsheet (Kent County Council schemes)

Appendix 3: RAG spreadsheet (Medway Council schemes)

Appendix 4: Details of projects highlighted red in the RAG rating

Appendix 5: Details of Ashford Spurs project

Update on Business Case approvals

Table 1 - SELEP Accountability Board Approvals made on 12th February 2016			
Scheme	Description	LGF allocation	SELEP Accountability Board Approval
Folkestone Seafront	Construction of a platform to facilitate development to Folkestone Seafront.	£5.1m	Approval for full £5.1m LGF allocation
A28 Chart Road	Dualling of the A28 Chart Road carriageway in both directions between Matalan (Brookfield Road) and Tank (Templer Way) roundabouts and the enlargement of both roundabouts.	£10.2m	Approval for full £10.2m LGF allocation
Maidstone Integrated Transport Package	A package of road widening and junction improvements in Maidstone, to improve road capacity and reduce congestion.	£8.9m	Approval for 2016/17 £1.3m allocation to the project, for A20/A274 Willington Street element of project.
Rathmore Road Link	Improvements to Rathmore Road; enabling two way movements and improved integration between railway station and town centre.	£4.2m	Approval for full £4.2m LGF allocation.
Middle Deal Link Road (alternatively referred to as North Deal Link Road)	A new link road between Albert Road to the East and Southall Road to the West, to support the delivery of commercial and residential development.	£0.8	Approval for the full £0.8m LGF allocation.

Table 2. Decisions to be taken by SELEP Accountability Board on 8th April 2016		
Scheme	Description	SELEP ask
Kent Strategic Congestion Management Programme (KSCMP)	Package of congestion management initiatives, to be implemented across the County.	Approval for 2016/17 LGF allocation
Kent Rights of Way Improvement Plan	Package of Rights of Way Improvement measures to be implemented across the County.	Approval for 2016/17 – 2020/21 LGF allocation.
West Kent Local Sustainable Transport Fund (LSTF)	A package of measures to support travel by sustainable means in West Kent.	Approval for 2016/17 - 2020/21 LGF allocation.
Kent Sustainable Interventions	A package of smaller transport interventions to be implemented across the County.	Approval for 2016/17 LGF allocation.

LEP Schemes Programme RAG Report March 2016**Kent Schemes**

PROJECT RAG STATUS								
No.	Scheme	Description	Delivery By	Budget	Business Case Status	RAG Status	Comments	Key Events for Next Period
SLGF1								
1	A28 Chart Road, Ashford	Carriageway dualling, junction improvements and Network Rail bridge widening. Start of works planned for Spring 2018 with an 18 month construction period.	2019/20	£32.80m (£10.20m SLGF, £22.60m match funding)	Business Case approved at February 2016 Accountability Board.		Design and planning of the scheme is progressing well. Public engagement completed and formal approval given to scheme to take forward. S278, although well underway, has yet to be concluded with developers who are part funding the delivery of the scheme.	Conclude S278 Agreement. Start voluntary land acquisition and preparation of complementary Compulsory Purchase Order. Gain approval for Procurement Strategy.
2	Sturry Link Road, Canterbury	New link road connecting the A28 Sturry Road to A291 Sturry Hill requiring a crossing of both the railway and the river. Start of works planned for Spring 2019 with an 18 month construction period.	2020/21	£28.60m (£5.90m SLGF, £ 22.70m match funding)	Business Case prepared in draft but awaiting certainty/clarity of developer funding model/guarantees. Aiming for sign off by Accountability Board in June 2016.		Examination in Public of Canterbury City Council Local Plan commenced in July 2015 but outcome will not be known for several months. Developer agreements to fund scheme preparation and delivery not yet in place.	Agree terms for funding of scheme design and delivery with developers. Finalise Business Case and submit to SE LEP Independent Technical Evaluator.
3	A28 Sturry Rd Integrated Transport Package, Canterbury	Extension of in-bound bus lane. Start of works planned for summer 2016 with a 4 month construction period.	2016/17	£0.55m (£0.3m SLGF, ££0.25m match funding)	Business Case approved.		Feasibility work progressing. A funding gap of £150k has been identified due to reduced match funding. Gap to be funded form Congestion Management scheme. Scheme deferred until 2017/18.	Scheme preparation work to start later in 2016/17.
4	Middle Deal transport improvements, Dover	New road between Albert Road and Church Lane, Deal. Scheme being prepared and delivered by developer. Work due to start in 2016/17.	2016/17	£1.55m (£0.8m SLGF, £0.75m match funding)	Business Case was approved at February 2016 Accountability Board.		Planning application has been submitted, but has not yet been determined.	Seek further design details from developer.

No.	Scheme	Description	Delivery By	Budget	Business Case Status	RAG Status	Comments	Key Events for Next Period
5	A226 London Rd/B255 St Clements Way, Dartford	Junction improvements. Start of works planned for Spring 2019 for 12 months.	2019/20	£10.7m (£5.2m SLGF, £5.5m match funding)	Business Case to be prepared for planned submission to SE LEP Independent Technical Evaluator in July 2016 and sign off by Accountability Board in September 2016 although LGF is not currently profiled to be released before 2018/19.		On target. Outline options report has been prepared.	Resolve apparent difference in allocated LEP funding - LEP has suggested only £4.2m - not £5.2m - is available. KCC internal approval for the project will be sought from Environment and Transport Cabinet Committee in July 2016. Public engagement planned for Autumn 2016.
6	Rathmore Road Link, Gravesend	New 2-way link road between Stone Street and Darnley Road. Start of works planned for June 2016 with an 18 month construction period	2016/17/18	£9.5m (£4.2m SLGF, £5.3m match funding)	Business Case approved at February 2016 Accountability Board.		Land transfers from Gravesham Borough Council to Kent County Council have been completed. Construction contract has been awarded, with the main works start in June.	Advance archaeological works and site mobilisation works to start. Discharge remaining planning conditions. Commence construction of main works.
7	Maidstone Gyratory Bypass, Maidstone	A229 Gyratory Bypass, Fairmeadow. Main construction works planned to commence summer 2016 for a 6 month period.	2016/17	£5.74m (£4.6m SLGF, £1.14m match funding)	Business Case approved.		On target Contract tenders have been returned. Advance site clearance and detailed location of utilities have been completed. Extensive public and business briefings being undertaken and advance notice to drivers.	Award contract. Mobilisation. Construction works planned to commence in June 2016.
8	Maidstone sustainable access to employment areas	New pathway along the River Medway between Aylesford Village and Allington Lock and complementary measures on existing routes. Start of works planned for spring 2016 for a 12 month construction period.	2016/17	£3m (£2m SLGF, £1m match funding)	Business Case approved with some funding brought forward for release in 2015/16.		On target. Advance ecological works have been completed and design work is being finalised.	Complete design. Procure works for a start in summer 2016.

No.	Scheme	Description	Delivery By	Budget	Business Case Status	RAG Status	Comments	Key Events for Next Period
9	Maidstone Integrated Transport	Package of transport improvements. Works to start in 2016/17.	2016/17 to 2019/20	£11.854m (£8.9m SLGF, £2.954m m match funding)	Business Case approved for A20/A274 Willington Street element (£1.3m) at February 2016 Accountability Board. Business Case for release of remaining £7.6m to be prepared for submission to Accountability Board in late 2016.			Progress design of A20/A274 Willington Street junction with construction in late 2016/17. Continue planning and prioritisation of further schemes to inform preparation of Business Case/s for approval of remaining £7.6m LGF.
10	Folkestone Seafront Resurfacing Phase 1, Shepway	Complete	May-15	£0.29 SLGF	Business Case approved.		Completed	Completed
10A	Folkestone Seafront Resurfacing Phase 2 (incorporating Tontine Street Traffic Scheme), Shepway	Resurfacing of Tontine Street (in conjunction with S106 works at same location). Start of works planned for October 2015 for a 4 month construction period.	2015/16	£0.36m (£0.21m SLGF, £0.15m S106 funding for Tontine Street			On target Works will complete in April.	Complete works.
11	Sittingbourne Town Centre Regeneration (developer delivered), Swale	Re-alignment of St. Michaels' Road and public realm improvements adjacent to rail station. Construction planned to start in 2016/17.	2015/16/17	£4.5m (£2.5m SLGF, £2m match funding)	Business Case approved.		Service Level Agreement finalised and invoices for £344k spend in 2015/16 has been accepted.	Developer to continue scheme preparation.
12	Thanet Parkway, Thanet	New rail station. Project currently progressing through Network Rail approval process.	2019/20	Project cost under review (£10m SLGF)	Comments received from SELEP ITE on Business Case. Consultant's appointed to update Business Case with aim of Business Case sign-off during 2016/17. LGF profiled for 2017/18.		Recent cost estimate prepared showing scheme costs in excess of current scheme budget.	Continue to develop scheme to inform cost and funding shortfall opportunities.

No.	Scheme	Description	Delivery By	Budget	Business Case Status	RAG Status	Comments	Key Events for Next Period
13	M20 Junction 4 Eastern Overbridge	Widening of existing motorway overbridge. Start of works planned for February 2016 with a 6 month construction period.	2015/16	£4.81m (£2.2m SLGF, £2.61m match funding)	Business Case approved.		Contract has been awarded. Mobilisation works are underway And site compound is being set up. Advance publicity.	Construction to start 4 April.
14	Tonbridge Town Centre Regeneration	Transport improvements to Tonbridge High Street commence. Phase 1 commenced on site in August 2015. Phase 2 is planned to start in 2016/17.	2015/16/17	£2.65m (£2.4m SLGF, £0.25m match funding)	Business Case approved.		Construction making good progress.	Complete construction of Phase1. Progress design of Phase 2 schemes.
15	A26 London Rd/ Speldhurst Rd/ Yew Tree Rd	Junction improvement and A26 route study. Start of works planned for Spring 2016.	2015/16/17	£1.8m SLGF	Business Case approved in part and 2015/16 funding released. A supplementary Business Case is required to secure future years' funding. Approval for future year funding will be sought from SELEP Accountability Board in June 2016.		Phase 1 construction started. Proposals being developed to utilise remainder of funding. Government notification of scheme amendments may be required.	Continue construction of Phase 1. Continue to develop proposals for Phase 2 and submission of supporting supplementary Business Case to SELEP.
16	West Kent LSTF	A package of measures to support travel by sustainable means. Start of works planned for September 2015 for a 5 month construction period	annually until 2020/21	Total across 6 years - £9.06m (£4.9m SLGF, £4.16m match funding)	Business Case approved for 2015/16. A supplementary BC is required to secure future years' funding. The 2016/17 -2020/21 BC has been submitted to the ITE with sign off by the Accountability Board in April 2016.		On target	Continue progress with works at Snodland Station and Swanley Wayfinding. Complete A26 cycle route detailed design. Continue progress with Maidstone & Tunbridge Wells Cycle parking.

No.	Scheme	Description	Delivery By	Budget	Business Case Status	RAG Status	Comments	Key Events for Next Period
17	Kent Thameside LSTF	A package of measures to support travel by sustainable means. Start of works planned for September 2015 for a 5 month construction period	annually until 2020/21	Total across 6 years - £7.65m (£4.5m SLGF, £3.15m match funding)	Business Case approved for all years.		On target. Planning permission granted for Gravesend Station cycle hub, contract awarded and works started.	Continue construction of Gravesend Station cycle hub. Complete Dartford Station cycle parking. Start Meopham, Longfield Road and Greenhithe cycle parking.
18	Kent Strategic Congestion Management programme	Package of congestion management initiatives. Start of works planned for October 2015 with a 4 month construction period.	annually until 2020/21	Total across 6 years - £4.8m SLGF	Business Case approved for 2015/16. Annual supplementary Business Cases are required to secure future years' funding. The 2016/17 Business Case has been submitted to the ITE with sign off by the Accountability Board in April 2016.		On target for spend with Variable Messaging Signs & CCTV works.	CCTV and Variable Messaging Signs contracts awarded/orders placed. Progress design and estimate of M2 Junction 7 free flow slip.
19	Kent Sustainable Interventions programme - 2015/16 Scheme details 19A to 19E	A package of smaller transport interventions - see 19A to 19D below	annually until 2020/21	Total across 6 years - £3m SLGF (£0.5m annually)	Business Case approved for 2015/16 and funding released. Annual supplementary Business Cases' are required to secure future years' funding. The 2016/17 BC has been submitted to the ITE with sign off by the Accountability Board in April 2016.			
19A	Sittingbourne TC Cycle	Walking/cycling improvements	2015/16	Total 2015/16 annual SLGF allocation - £0.5m	See 19 above		Scheme delayed but construction commencing in March 2016.	Continued progress with construction works.
19B	Dartford Cycle Route	Walking/cycling link	2015/16		See 19 above		Scheme design has been completed and scheme supported by Joint Transportation Board.	Construction works to commence in May 2016.

No.	Scheme	Description	Delivery By	Budget	Business Case Status	RAG Status	Comments	Key Events for Next Period
19C	South Street Deal	Public transport interchange	2015/16		See 19 above		Construction works are underway.	Complete construction.
19D	Howard Avenue	Walking/cycling link	2015/16		See 19 above		Completed	Completed
20	Kent Rights of Way improvement plan (ROWIP)	Package of ROWIP measures. Start of works planned for 2015/16.	annually until 2020/21	Total across 6 years - £0.3m SLGF	Business Case approved for 2015/16. The 2016/17 Business Case has been submitted to the Independent Technical Evaluator for sign off by the Accountability Board in April 2016.		On target	Continue construction of Rights of Way Improvements Plan measures.
21	M20 Junction 10A (now a full junction to be delivered by Highways England)	Delivered by Highways England	2018/19	£70m (£19.7m SLGF, £16.2m match funding, £34.1m Highways England)	Highways England to prepare Business Case.		Highways England has completed public consultation. Highways England is preparing Business Case. Delivery programme slipped and start of works now planned for early 2018 with an 18 month construction period.	Highways England to continue scheme development work.

SLGF2								
No.	Scheme	Description	Delivery By	Budget	Business Case Status	RAG Status	Comments	Key Events for Next Period
22	Dover Western Dock Revival	Package of highway improvements.	2016/17	£5m SLGF	Dover Harbour Board to prepare Business Case.		Dover Harbour Board and KCC meetings have taken place to agree an approach to overcome the issue of 'additionality' raised by Government, about Local Growth Fund investment in the project.	Dover Harbour Board to propose schemes and agree an approach to demonstrate rationale for LGF investment.
23	Ashford International Rail Connectivity (Ashford Spurs)	Signalling upgrade to maintain international rail services at Ashford International station	2016/17 to 2018/19	£10.5m (£2m LGF2)	Full Business Case to be provided by Network Rail at close of GRIP 3 (Network Rail's equivalent to outline design stage of the project). Aim is for Business Case to be submitted to Independent Technical Evaluator for sign off by the Accountability Board in June 2016.		A Network Rail cost estimate has been produced which puts the project cost estimate at £10.5 million. This substantially increases the project cost estimate.	Consider options to bridge funding gap to enable SELEP Accountability Board approval of scheme in June 2016.
24	Westenhanger Lorry Park	Facility for overnight lorry parking. Scheme affected by recent Operation Stack events and location has changed.	2018/19	£12m (£3m SLGF, £9m match funding)	No Business Case submitted or approved		Scheme on hold because of Highways England/Department for Transport involvement in Stack Lorry Park solution.	Continued working with Highways England Department for Transport on delivery of Lorry Parking solutions.
25	Folkestone Seafront (developer delivered)	Construction of platform to facilitate development of Folkestone Seafront.	2017/18	£22.21m (£4m SLGF, £17.11m match funding)	Business Case approved at February 2016 Accountability Board.		Concerns about State Aid have been addressed.	Complete Grant agreement. Agree draw down schedule with Developers.

Non-Transport								
No.	Scheme	Description	Delivery By	Budget	Business Case Status	RAG Status	Comments	Key Events for Next Period
26	Innovation Investment Fund (Growth Hub Capital)		annually until 2020/21	Total £6m (£1m annually)	Business Case approved. Further Business Cases may be required because of the quantum and duration of the programme.		Unable to make 15/16 LGF allocations before end of financial year but will be made in early 16/17.	Complete funding agreements and make loans to the value of the 2015/16 annual allocation. Progress further agreements to enable 2016/17 loans to be made.

Programme Manager: Mary Gillett
(Spreadsheet prepared by John Farmer 31/3/16)

Based on data up to mid-March 2016

Medway Schemes

PROJECT RAG STATUS								
No.	Scheme	Description	Delivery By	Budget	Business Case Status	RAG Status	Comments	Key Events for Next Period
SLGF1								
M1	A289 Four Elms Roundabout to Medway Tunnel	Highway capacity improvements to provide journey time savings and reduced congestion.	End of 2018/19	£11.1m	BC approved, funding released		A public information event was held with local residents prior to the submission of the planning application. Following this event some minor changes are being made to the design to seek to address residents concerns. As a result the date for submitting the planning application has been revised from 31st March to 30th April 2016.	The planning application for the works will be submitted. Work will commence to procure a consultant to deliver the detailed design.
M2	Strood town centre	Journey time and accessibility enhancements to the town centre including changes to the highway, improved public realm and retail improvements.	End of 2018/19	£9m	BC approved, funding released		Proposals within the Town Centre Review and Concepts Plan have been reviewed by Members. Work is underway to amend the plans to deal with the issues raised.	New outline designs which address issues raised will be completed. Public consultation is likely to commence.
M3	Chatham town centre placemaking and public realm package	Improving the link between Chatham railway station and Chatham town centre and waterfront area and provision of a new civic space.	End of 2017/18	£4m	BC approved, funding released		Public consultation on preferred option in the Masterplan has been completed. Most of the feedback received was positive, with consultees feeling that the proposal met the objectives of the project. The procurement process has begun to identify a consultant to deliver the detailed design.	A consultant will be appointed to deliver the detailed design for the scheme, with work starting on this immediately after appointment.

M4	Medway Cycling Action Plan	A range of measures designed to improve access to cycling in the Medway area and improve upon and expand existing cycling facilities	1st phase in 2015/16, then annually until end of 2017/18	£2.5m	BC approved, funding released		Phase 1 of the first route in Beechings Way, Gillingham has been completed. The Cycling Action Plan has been revised to incorporate costs for the planned cycle routes and stakeholder comments that were raised during the engagement period.	Work will get underway on phase 2 of the Beechings Way, Gillingham route. Designs will continue for other routes due for construction in 2016/17. The final Cycling Action Plan document will be published.
M5	Medway City Estate connectivity improvement measures	An integrated package of infrastructure measures aimed at addressing the existing barriers to movement to and from and within MCE.	Early interventions starting in 2015/16 with 2nd part of the project by end of 2018/19	£2m	BC approved, funding released		The project has been split into two phases, with phase 1 focussing on aiding egress off the Medway City Estate. Construction of phase 1 works is almost complete and include the installation of CCTV traffic cameras and introducing a live feed showing traffic flow near the exit to the estate, traffic signals at the Medway Tunnel and extending the three lane entry on approach to the roundabout at the exit from the estate.	The final phase 1 works will be completed early in 2016/17. The impact these works have on reducing the delays on the estate will be reviewed with consideration given to introducing average speed cameras in the Medway Tunnel if it is decided that further works are needed to improve egress off the estate. Attention will then switch to phase 2 works which will focus on improving connectivity within the estate for all modes of transport.
Non-Transport								
26	Rochester Airport Technology Park	Introduction of a Technology Park at Rochester Airport. Phase 1 of the project involves improvements to airport infrastructure and removal of the second runway. Works required to facilitate the development of the Technology Park.	Phase 1 by end of 2017/18	£4.4m (future phases in addition)	Final Business Case ready for submission in early April.		A new planning application for this project was due to be considered by Medway Council's Planning Committee on 10 March 2016. However, a third party queried whether there was a requirement for an Environmental Impact Assessment screening opinion. This has delayed the decision on the planning application whilst awaiting DCLG's decision on this matter. The budget has been re-profiled to take into account the delays encountered.	Any final changes will be made to the Business Case ready for submission in early April. Work will continue to ensure the project is ready to start once planning permission has been determined.

Details of projects highlighted red in the RAG rating

Scheme	Description	Budget	RAG Rating
Sturry Link Road, Canterbury	New link road connecting the A28 Sturry Road to A291 Sturry Hill requiring a crossing of both the railway and the river.	£28.60m (£5.90m SLGF, £22.70m match funding)	
<p><u>Progress:</u></p> <ul style="list-style-type: none"> - Start of works planned for Spring 2019 with an 18 month construction period. - Business Case has been prepared and due to considered at SELEP Accountability Board in June 2016, subject to resolution on match funding issue. <p><u>Issue:</u></p> <p>No funding agreement is yet in place to confirm the developers match funding contribution and their financial contribution to project development costs. Slow progress has been made on Heads of Terms between KCC, Canterbury City Council and the developers at Sturry and Broad Oak, who are part funding the scheme.</p> <p>There is a risk that the SELEP Independent Technical Evaluator will not recommend the approval of funding to the project if confidence cannot be provided on the availability of project match funding and project deliverability.</p> <p><u>Mitigation:</u></p> <ul style="list-style-type: none"> - Kent County Council has recommended the use of a Bond to ensure that developer match funding is available to deliver the project. - A meeting is being arranged between Kent County Council and developers to agree a way forward. 			

Scheme	Description	Budget	RAG Rating
Ashford International Rail Connectivity (Ashford Spurs)	Signalling upgrade to maintain international rail services at Ashford International station	£10.5m (£2m LGF)	
<p><u>Progress:</u></p> <ul style="list-style-type: none"> - Project Business Case has been produced by Network Rail and issued to SELEP Independent Technical Evaluator, with the project to be considered by SELEP Accountability Board in June 2016. <p><u>Issue:</u></p> <p>A Network Rail Business Case anticipates a project cost of £10.5 million, including project contingencies and risk. This substantially increases the project cost estimate and widens the funding gap to a £7.8m shortfall.</p> <p>Network Rail will not proceed beyond September 2016 without the assurance of the full funding, including contingency and risk, being in place to ensure the project can be completed.</p> <p><u>Mitigation:</u></p> <ul style="list-style-type: none"> - KMEP to consider the proposed allocation of £3m KCC LGF programme underspend to the project. - A direct request will be made to Government for the remaining £4.8m required to deliver 			

the project.

Scheme	Description	Budget	RAG Rating
Westenhanger Lorry Park	Delivery of an overnight lorry parking facility to the south of the M20 Junction 11	£3m LGF	
<p>Funding was provisionally allocated to support the delivery of an overnight lorry parking facility to the south of the M20 Junction 11, to provide a strategic solution to inappropriate overnight lorry parking. The estimated cost was in excess of £15m of which £3m LGF was to provide a contribution.</p> <p><u>Issue:</u> Subsequent to KMEP's submission for £3m of LGF to fund a lorry park, the Chancellor of the Exchequer announced (in Nov 15) funding up to £250 million for a permanent lorry park to increase resilience in Kent, by taking pressure off the roads in the event of Operation Stack. Highways England issued a consultation in December 15 for a Lorry Area adjacent to the M20 at Stanford (at Junction 11) for 3,600 spaces for Operation Stack, of which approx. 500 spaces could be allocated for overnight parking.</p> <p><u>Mitigation:</u> KCC, as the accountable body, proposes the reallocation of £3m to Ashford Spurs. This reallocation would be made with the recognition that, were the Government not to fully fund the Lorry Park at Stanford, KMEP would prioritise funding for it in future funding rounds.</p>			

Ashford Spurs Project Summary

Why is the Ashford Spurs project necessary?

Ashford's position as an area embracing nationally significant growth and driver of regeneration in the wider east-Kent sub-region is built around international connectivity. It has been known for some time, however, that the next-generation of international trains will not be able to serve Ashford until a technical barrier is resolved. The Ashford International Station Spurs project is therefore essential to allow existing and future international trains to call at Ashford International Station.

Funding Update

The current estimated costs compiled by Network Rail in consultation with Network Rail (High Speed), Eurostar, High Speed 1 and Systra now provide an anticipated project cost, including contingency and risk, of £10.5 million. £700,000 of funding has already been secured for the initial project stages (work currently underway until September 2016).

Network Rail will not proceed beyond September 2016 without the assurance of the full funding, including contingency and risk, being in place to ensure the project can be completed.

An approach has been made to Clare Perry MP, Parliamentary Under Secretary of State with responsibility for rail at the Department for Transport, for an urgent ministerial meeting to obtain support from Government to provide funding to bridge the projected funding gap. This meeting is expected in the second half of April.

An assurance of sufficient funding required to deliver the project will be essential on presentation of the business case to the LEP Accountability Board on 10 June.

Additional LEP Funding Request to KMEP

In addition to the current £2 million of funding allocated by the SE LEP through initial allocations, KMEP members are now requested to approve an additional £3m allocation from the current LGF programme underspend to the project. This would bring the LGF allocation to £5m. This additional money would reduce the funding gap, not entirely, but enough to make a stronger case to Government to bridge the gap, which with the additional money would be £4.8m.

As a result, this additional money would demonstrate the commitment of the LEP to the project, and it would provide a much stronger basis on which to present the case to Government. Without the proposed additional funding, the request to Government would be for £7.8 million, with only £2 million LEP funding allocated, and as such, would be very unlikely to succeed.

ITEM 8

Date: 11 April 2016

Subject: Thames Gateway Kent Partnership (TGKP) Update

Report author: David Liston-Jones, Chief Executive, TGKP

Background explanation to the paper *(by Sarah Nurden):*

Kent and Medway benefit from the existence of sub-county partnerships (i.e. East Kent Regeneration Board, Thames Gateway Kent Partnership, and West Kent Partnership). These partnerships have been offered the opportunity (if they so wish) to submit short updates to KMEP as a standing agenda item.

The timings of the East Kent and West Kent Partnership board meetings have not aligned on this occasion, so these partnership updates will commence at the KMEP meeting on 14 June 2016. Maidstone Borough Council has been invited to submit its own update as its geography falls outside of these partnerships' scope.

Summary:

This report provides a short overview of four priorities that the Thames Gateway Kent Partnership is focussing on. It is not a comprehensive update, but gives an indication of the work underway. It includes work going on in the wider Thames Gateway context as well as specifically North Kent activity.

1. **Priority 1: Thames Estuary 2050 Growth Commission**

- 1.1 On 16th March, the Chancellor announced that Lord Heseltine had accepted his invitation to lead a Thames Estuary Growth Commission.
- 1.2 The Commission's brief is "to develop an ambitious vision and delivery plan for North Kent, South East and East London up to 2050. The Commission will:
 - focus on supporting the development of high-productivity clusters in specific locations;
 - examine how to develop, attract and retain skilled workers in the area; and
 - look at how to make the most of opportunities from planned infrastructure.

- 1.3 The use of the word 'Estuary' rather than 'Gateway' is significant – the Commission will examine the whole of the estuary, i.e. through to Canterbury and Thanet on the Kent side, as well as the Thames Gateway area itself.
- 1.4 At present we do not have much detail on what is proposed. At the meeting of the Thames Gateway Strategic Group on 23 March, the Thames Gateway Minister, Mark Francois MP, said that it was hoped to publish the names of the Commission members, and the Terms of Reference, in the next few weeks. The Commission is to deliver its final report by the Autumn Statement in 2017.
- 1.5 As a partnership TGKP will be keen to work with the Commission. The announcement is a recognition of the importance of the Thames Gateway/Estuary area to the UK's growth ambitions, and the Commission will give us an opportunity to press the case for the investment that is needed for that growth potential is to be realised.

2 Priority 2: Thames Gateway Strategic Group (TGSG)

- 2.1 The Thames Gateway Strategic Group is the Thames Gateway wide group that brings together key local political leaders with Government to help shape the overall strategy for the Gateway, identify opportunities and overcome barriers for growth. Chaired by Sir Edward Lister, London Deputy Mayor, its membership includes local authority Leaders, the Thames Gateway Minister, the Chair of the South East LEP and the private sector Chairs of TGKP and its equivalent partnership in South Essex.
- 2.2 At the request of the Thames Gateway Minister, TGSG recently prepared a Transport Prospectus identifying the 'Top ten transport investments' that were necessary to unlock growth in the Gateway, demonstrating how these strategic transport infrastructure projects would make a significant contribution to realising the estimated overall capacity of the Gateway to deliver an additional 290,000 homes and 365,000 jobs. The key investments identified for North Kent were the Lower Thames Crossing, Crossrail extension to Ebbsfleet and Gravesend, A2 Bean and Ebbsfleet Junctions and M2 Junction 5.
- 2.3 The Transport prospectus was well received and at its last meeting TGSG agreed to produce a similar prospectus on skills. This will be a trickier exercise. There are already initiatives underway at the Kent and Medway level (Skills Commission) and at the SELEP geography. It will be important that any interventions to tackle skills issues at a Thames Gateway-wide level are designed so as to complement and add value to what is already being done at LEP, KMEP and local authority level.
- 2.4 The Thames Gateway Strategic Group will anyway need to reassess its role over the coming months in the light of the setting up of the Thames Estuary Growth Commission. It would not make sense to have two parallel work streams covering very similar ground. TGSG could however play a valuable role in supporting the Commission possibly including acting as a 'Sounding Board', submitting evidence and advice, and sense checking emerging ideas and proposals.

3 Priority 3: Transport infrastructure

3.1 There has been a particular focus on two of the 'Top Ten' transport infrastructure priorities over recent months.

3.2 *Lower Thames Crossing consultation.*

3.2.1 The partnership submitted a detailed response which can be viewed on our website – www.tgkp.org . In summary, the majority view of our Partnership was strongly in favour of a crossing at Location C. We acknowledged in the response that our partner Gravesham Borough Council did not support this view. We said it was essential that the environmental and social disbenefits of the scheme are minimised and mitigated as far as possible. We also stressed the importance of considering the entire Channel Ports to M25 corridor holistically so as to ensure that critical stretch of the national strategic roads network could perform at the level proposed for the new Crossing.

3.2.2 The partnership was keen to ensure that as many North Kent businesses as possible responded to the consultation. We proactively contacted businesses, using both our own business database and via partners' business contacts, emphasising the importance of this issue and encouraging them to respond.

3.3 *Extension of Crossrail to Ebbsfleet/Gravesend.*

3.3.1 TGKP is co-funding a project to prepare a strategic outline business case for the extension of Crossrail from Abbey Wood to Gravesend. A joint working group comprising officers from Dartford BC, Gravesham BC, Ebbsfleet Development Corporation, Kent County Council, LB Bexley, the GLA and TfL has been overseeing this work. A document outlining the case for a Crossrail extension was submitted to the National Infrastructure Commission and the Treasury in advance of the Budget.

3.3.2 Growth potential of 55,000 homes and 30,000 jobs has been identified in the Abbey Wood to Gravesend corridor. The case for transport investment in the corridor to support this growth is compelling. But an extension of Crossrail would require new, dedicated infrastructure. The cost of the full 20km extension is estimated at £2.5bn, excluding land acquisition costs, and would take 10 years to deliver.

3.3.3 The next steps are to develop a full strategic outline business case to submit to Government in the Autumn.

4 Priority 4: North Kent innovation Zone

4.1 The Chancellor announced last November that our bid for a new Enterprise Zone – the North Kent Innovation Zone – had been successful. Focusing on life sciences, advanced manufacturing and engineering the new EZ covers three sites – the Kent Medical Campus in Maidstone, Rochester Airport Technology Park in Medway, and earmarked sites within the Ebbsfleet Garden City. Between them, these sites will

deliver around 230,000 square metres of high quality business premises with potential for 9,900 new jobs by 2027.

- 4.2 TGKP's Board is taking regular reports on progress in setting up the Enterprise Zone which comes into effect in April 2017. Current issues include the Memorandum of Understanding with Government, and preparing an implementation plan. Intensive work will be needed over coming months on the overall investment and marketing strategies, firming up on governance proposals and on the planning and delivery arrangements for each of the three sites.

5 Forthcoming events

- **North Kent B2B** | 29 June 2016 | Buckmore Park, Chatham. TGKP is a key sponsor of the Kent Invicta Chamber's annual North Kent B2B. Each year we organise a seminar at the event to discuss latest plans and developments for the Thames Gateway Kent area.
- **TGKP Business Breakfasts** – For the past few years TGKP has held twice yearly business breakfast events as a means of strengthening links with the business community, and to get a better understanding of the key issues and concerns that businesses face in North Kent. These have proved very popular, and we will hold further such breakfast meetings in the future. But for our next events we are taking a different approach and plan to hold a series of smaller, sector-based, meetings, probably starting off with an event focused on the construction sector.

- 6 **Further information:** You can find out more information on these priorities, and on the partnership's work more generally, at our website www.tgkp.org or please do contact David Liston-Jones via david.listonjones@thamesgateway-kent.org.uk or 01634 338154.

7 Recommendation

- 7.1 The Board is recommended to:
- Note this update on the current priorities for the Thames Gateway Kent Partnership.

FOR INFORMATION ONLY ITEM A

Date: 11 April 2016

Subject: Skills Capital Funding

Report authors: Mike Rayner, SELEP Skills Lead Officer

Summary

This report updates KMEP on the projects which have been successfully allocated Skills Capital Funding – as part of the £22m allocated to SELEP for 2014-17.

8 Skills Capital Funding

- 1.1 In the SELEP Growth Deal, announced in July 2014, the Government committed £22m to SELEP to support Skills Capital projects. This sum was divided into two separate funding options, with £18m for capital building projects and £4m for equipment.
- 1.2 To date, there have been three bidding rounds, and the FE colleges have been invited to submit bids to the SELEP Accountability Board that will help develop and maintain the highest-quality FE College estate and help support business and job growth. The criteria for the bids were :

Round 1 – Capital Projects only

- 2:1 match (Providers to provide 2/3 of funding)
- Bids from Skills Funding Agency funded providers only

Round 2 – Equipment Only

- 2:1 match (Providers to provide 2/3 of funding)
- Bids from Skills Funding Agency funded providers only
- Grant size from £50K to £500k

Round 3 – Equipment and small capital works

- 50:50 match funding
- Grant size from £50K to £500k
- Bids from Skills Funding Agency funded providers only

Note: match funding requirements and grant sizes were flexible if bidders could demonstrate a compelling business case.

- 1.3 The Skills Funding Agency assessed the schemes to ensure they were financially viable, met building standards and were deliverable
- 1.4 In the first three bidding rounds, £17,646,000 of the building capital fund was allocated and £2,321,667 was allocated in the equipment rounds.
- 1.5 Appendix 1 provides a comprehensive list of the schemes in KMEP's area which were successfully allocated funding in rounds 1-3.
- 1.6 £2.032m of the Skills Capital Fund remains unallocated. A criterion stipulated by the Government is the Skills Capital Fund must be spent by 31 March 2017. A proposal of SELEP's Skills Advisory Group is for approximately £894,080 to be delegated to KMEP's Skills Commission for them to prioritise for local projects. In addition, SELEP Skills Advisory Group will be seeking Government permission to ensure that any funding unspent as at 31 March 2017 remains ring-fenced to skills, either through re-profiling or the reissuing of a further funding round for 17/18. This proposal is being taken to SELEP Accountability Board on 8th April 2016 for approval.

2. Recommendations

- 2.1 The KMEP Partnership is asked to:
 - Note the Skills Capital Funding allocated to date, and the progress made.
 - Note the proposal of the SELEP Skills Advisory Group regarding unspent funds.
 - Alert the KMEP Strategic Programme Manager if you wish to receive a detailed update at a future meeting on any of the schemes listed.

Information Item 1 - Appendix 1

College	Project details	District where project occurring	Sum of money allocated	On progress? RAG-rating	Further info at
Hadlow College – Ashford Campus	New campus in Ashford	Ashford	£9.8m		www.ashford.ac.uk
East Kent College	Extension to Construction facilities in Folkestone	Shepway	£1.36m – subject to confirmation from the Accountability Board		www.eastkent.ac.uk
Hadlow College – Ashford Campus	Specialist Equipment for phase 1a	Ashford	£427,500		www.ashford.ac.uk
North Kent College	Construction of a realistic vehicle servicing centre and related equipment	Gravesham	£141,850		www.northkent.ac.uk
Midkent College	Health Science Laboratory	Medway	£235,062.89 - subject to confirmation from the Accountability Board		www.midkent.ac.uk
Total			£11,964,412.89		

FOR INFORMATION ONLY ITEM B

Date: 11 April 2016

Subject: Future Meeting Dates

The future Kent & Medway Economic Partnership meeting dates as:

- 14 June 2016
- 1 August 2016
- 4 October 2016
- 12 December 2016

All meetings will be held at the Village Hotel, Maidstone at 5pm.