

**Monday 12 December 2016, 5.00-7.00pm**

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

**AGENDA**

		<b>Approx time</b>	<b>Page</b>
1.	Welcome, introductions and apologies for absence	5.00	
2.	Minutes of previous meeting, matters arising & action tracker	5.05	2 + 9
3.	<b>Further Education Area Review &amp; Skills Commission update</b> <i>Presentation by Louise Aitken, SELEP Skills Adviser, and Allan Baillie, a KMEP Skills Commission Member &amp; KCC Skills and Employability Manager.</i>	5.10	<i>Presentation</i>
4.	<b>Environment Agency's strategic plans for flood defence in Kent &amp; Medway</b> <i>Presentation by Julie Foley, Area Manager for Kent, South London &amp; East Sussex, Environment Agency</i>	5.30	<i>Presentation</i>
5.	<b>Kent Developers' Group: Removing barriers to growth</b> <i>Presentation by Nick Fenton, Chairman of the Kent Developers' Group</i>	5.55	<i>Presentation</i>
6.	Infrastructure announcements in Autumn Statement & future engagement with MPs and National Infrastructure Commission	6.15	11
7.	Local Growth Fund 1 & 2: Delivery Progress Report & Ashford International Connectivity Rail Project Update	6.30	24
8.	AOB and any questions on the for information papers	6.45	47
For information items:			
A.	Commissioning of the Kent and Medway Growth Hub		48
B.	SELEP Working Group: Housing update		50
C.	SELEP Working Group: Creative Economy Network Update		55
D.	KMEP and SELEP future meeting dates		59
E.	State of the Kent Economy		<i>Circulated separately</i>

## ITEM 2A

**Date:** 12 December 2016

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

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### Attendees

#### KMEP Board Members

Geoff Miles (Chair   The Maidstone Studios)	Jeremy Kite (Dartford Borough Council)
Miranda Chapman (Pillory Barn Design Ltd)	Jane March (Tunbridge Wells Borough Council alternate)
Mike Cosgrove (Swale Borough Council alternate)	Andrew Metcalf (Maxim PR)
John Cubitt (Gravesham Borough Council)	David Monk (Shepway District Council)
Philip Cunningham (Cripps Harries Hall LLP),	Jane Ollis (IOD)
Mark Dance (Kent County Council alternate)	Steve Sherry (RBLI)
Sarah Dance (Sarah Dance Associates)	Prof Rama Thirunamachandran (Vice-Chancellor of CCCU)
Peter Fleming (Sevenoaks District Council)	Paul Watkins (Dover District Council)
Douglas Horner (Trenport Investments Ltd & CBI South East Council)	Fran Wilson (Maidstone Borough Council)
Alan Jarrett (Medway Council alternate)	

#### Observers & Presenters in attendance

Matthew Balfour (KCC), Christian Brodie (SELEP Chairman), Jack Brooks (CEFEUS, CCCU), Alison Broom (MBC), Adam Bryan (SELEP), Kevin Burbidge (GBC), Lee Burchill (KCC), Barbara Cooper (KCC), Brian Dalton (KCC), Richard Dawson (East Sussex), John Foster (MBC), Amelia Hadfield (CEFEUS, CCCU), Katharine Harvey (SDC), Richard Hicks (MC), Tim Ingleton (DDC), David Liston-Jones (TGKP), Richard Longman (TGKP), Ron Moys (KCC), Sarah Nurden (KMEP), Karla Phillips (KCC), Sarah Platts (KCC), Dafydd Pugh (KCC), Joe Ratcliffe (KCC), Hilary Smith (TWBC), Katie Stewart (KS), Noora Vitonen (CEFEUS, CCCU), Jeremy Whittaker (TMBC).

### Apologies

#### KMEP Board Members

Paul Barrett (C4B Business & Barretts Motors), Andrew Bowles (SBC), Paul Carter (KCC), Gerry Clarkson (ABC), Simon Cook (CCC), Kevin Godfrey (iCOM), Nicolas Heslop (TMBC), Jo James (Kent Invicta Chamber of Commerce), David Jukes (TWBC), Vince Lucas (VA Consultancy Ltd), Ian Patterson (Lloyds), Graham Razey (Principal of East Kent College), Jon Regan (Hugh Lowe Farms Ltd & Weald Granary Ltd), Nick Sandford (Kent Country Land Association), Paul Thomas (Orbit Homes), Paul Winter (Wire Belt Company Limited) & Chris Wells (TDC).

## **Item 1 – Welcome, introductions and apologies**

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

## **Item 2 – Minutes of previous meeting and action tracker**

- 2.1 The minutes of the previous meeting were agreed as a correct record and signed by the Chairman accordingly.
- 2.2 The KMEP's Strategic Programme Manager drew the Board's attention to the Thames Estuary 2050 Growth Commission meeting on 26 October. SELEP and the London LEP have been invited to send a limited number of representatives to this meeting. The KMEP Chairman had contacted Rodney Chambers and Paul Carter regarding their attendance, as regrettably he is unavailable on this date. The KMEP Chairman welcomed any comments in advance of the presentation and asked that they be emailed to [sarah.nurden@kent.gov.uk](mailto:sarah.nurden@kent.gov.uk)
- 2.3 No further comments were received in response to the action tracker.

## **Item 3 – South East Local Enterprise Partnership: Chairman's Update**

- 3.1 Chris Brodie, the SELEP Chairman, was welcomed to the meeting. He reflected on the past 6 months of activity and the current SELEP priorities. The Chairman emphasised that he is lobbying the Government on these priorities whenever the opportunity arises.
- 3.2 He spoke of the pressing need to deliver a new Lower Thames Crossing, to ensure resilience on the M2 and M20 motorways in the event of cross-Channel disruption, and to expand the A2 making it a dual carriageway for its entire length.
- 3.3 He is eager to make 'SELEP the most university-friendly LEP in the country' and foster greater collaborative working between businesses and universities. The onus on skills should also incorporate the FE sector and schools.
- 3.4 He is lobbying for SELEP to have continued access to EU funding until the UK leaves the European Union.
- 3.5 The EU referendum has been very influential resulting in a change of Prime Minister, and a change in policy emphasis. The Industrial Strategy has grown in importance, and time will tell if the Northern Powerhouse will continue to be so prominent in Government decision-making.
- 3.6 SELEP's achievements in the last 6 months include:
  - The submission of a pan-LEP 'South East Growth Deal', detailing the Local Growth Fund round 3 proposals. The LGF3 pot is 3-4 times oversubscribed, so lobbying local MPs is encouraged.
  - Being the first LEP to be awarded 'Housing Business Ready' status.
  - Allocating the remainder of SELEP's £22million Skills Capital Fund to FE Colleges.
  - Continued successful operation of SELEP through the federated board model.

- 3.7 Chris Brodie explained that each LEP has been allocated a lead Minister; Jo Johnson has responsibility for SELEP. The SELEP Chairman encouraged KMEP Board Members to keep Jo Johnson informed of bids submissions, consultation responses, and forthcoming events and launches. Charlie Elphicke, MP for Dover and Deal, is taking over from Damian Green as the lead local contact for KMEP and SELEP.

#### **Item 4 – South East Local Enterprise Partnership: Managing Director’s Update**

- 4.1 Adam Bryan, SELEP Managing Director, introduced KMEP to the proposal to refresh the Strategic Economic Plan (SEP) and the SELEP working arrangements (including the review of working groups). In particular he referred to the following points:
- 4.2 The refreshed SEP will be a more concise document that will align more closely to the current Government strategy (including the Industrial Strategy). Adam Bryan outlined the timetable for undertaking the SEP refresh as follows:
- o Develop consultants brief & appoint consultants – October
  - o Undertake research/engagement – November to February
  - o First cut available – January
  - o Final version agreed – early March
  - o Westminster launch event/engagement of MPs – late March/early April
- 4.3 Supporting a refreshed SEP will be two further documents – A refreshed SELEP Skills Strategy and a new Infrastructure and Investment Strategy (IIS), which will have a stronger geographic focus than the SEP, and will strongly feature a pipeline of potential projects. When future funding rounds are announced (i.e. LGF4, GPF, Skills Capital Fund etc), the intention is that projects listed in the pipeline will be prioritised for funding. Hence, it is critical to ensure that all potential KMEP projects are included in the SELEP pipeline.
- 4.4 The proposed changes to the SELEP working arrangements included:
- An increased influence for universities and further education providers on the LEP agenda
  - A clearer relationship between SELEP/KMEP and the sector / working groups.
  - Developing an agreed approach to responding to future calls for funding.
  - Increase transparency of SELEP’s activities. The Assurance Framework will be refreshed.
  - Achieving greater penetration of the SME community as SELEP
  - Reviewing officer structures to ensure that they are fit for purpose and fully inclusive.
- 4.5 Adam Bryan said he welcomed KMEP’s views and any comments to be fed back by 18 November.
- 4.6 The partnership made the following comments in response to the report:
- 4.7 Fran Wilson commented on the short timeframe, and requested that Adam Bryan address MBC’s Economy Strategy Group on the Strategic Economic Plan refresh. In response, the KMEP Board was informed that SELEP fully recognises the importance of engagement, and the timeline would be amended to ensure adequate consultation.

- 4.8 Jeremy Kite commented on the involvement of external organisations in prioritising schemes. Assigning prioritisation is a role for the federated board.
- 4.9 Alan Jarrett commented that the Chairman of the Greater Essex Business Board does not sit on the SELEP Strategic Broad, and welcomed the proposal to rectify this.
- 4.10 Sarah Dance, as co-chair of the SELEP creative economy working group welcomed the extended dialogue. The SELEP working group has just adopted its Terms of Reference.
- 4.11 Douglas Horner proposed an alteration to the SELEP AGM arrangements to allow the federated boards to meet together more constructively.
- 4.12 The Partnership NOTED the updates provided by the SELEP Chairman and SELEP Managing Director.

**Item 5 – Dr Amelia Hadfield’s presentation on Canterbury Christ Church University’s report following the EU referendum**

- 5.1 Dr Amelia Hadfield of Canterbury Christ Church University was welcomed to the meeting. She explained that CCCU were drafting a multi-sector report which provides a holistic overview of the implications of Brexit on Kent and Medway, and petitions the government on the ‘asks’ that arise from the local implications.
- 5.2 CCCU had convened a working group of different organisations and representatives to explore the extent and nature of the Brexit impact. The organisation involved ranged from Kent Police to Eurotunnel to the NFU, to name but a few. Dr Hadfield asked the KMEP Board Members to provide her with further information on the Brexit implications to help inform the CCCU report.
- 5.3 In response to this request, KMEP Board Members made the following comments:
- 5.4 A suggestion was made by Jeremy Kite to emphasise the strengths of Kent and Medway: its close proximity to Europe and its strong international reputation for being ‘business-friendly’. The report offers an opportunity to portray Kent as a brand, as the bridge between the UK and Europe. Professor Rama Thirunamachandran spoke of the Kyushu region of Japan, which markets itself as the gateway to Japan.
- 5.5 Alan Jarrett referred to agri-environment payments, which are vital to sustain the agricultural industry. He suggested the report stresses the importance of the skilled workforce in unlocking economic growth. He spoke of how the procurement regulation imposed by the EU on government bodies constrains local authorities. Removing this would free up financial and staff resources that could be used to support businesses. Furthermore, asylum support services absorb a proportion of local authority funding. By freeing up this funding, the resources could be refocused towards business support and boosting the local economy.
- 5.6 Chris Brodie echoed the comments made by Jonathan Hill, the former European Commissioner, that agriculture is the most exposed sector.

- 5.7 Mike Cosgrove felt it was important for the CCCU report to provide empirical evidence of the impact of Brexit; for example, the report should say how many companies export to Europe. He also stressed that the importance of ensuring the tone of the report suited the intended audience.
- 5.8 Peter Fleming said the EU referendum decision will impact Kent and Medway's relationship with London. For example, a fair proportion of Sevenoaks residents commute to work in the financial services sector in the city.
- 5.9 Douglas Horner, Sarah Dance and Philip Cunningham offered to provide CCCU with statistics. Philip Cunningham alerted CCCU to the Cripps' survey on the impact of Brexit. The survey, which 200 firms responded to, is available at: <http://www.cripps.co.uk/wp-content/uploads/2016/09/Cripps-Survey-BREXIT-FINAL.pdf>
- 5.10 Douglas Horner referred to the fact that the UK is not self-sufficient with regard to food production, making the protection of the farming sector crucial. Ensuring an adequate supply of labour and the continuation of farming subsidies post-Brexit will be essential for Kent and Medway. He spoke of the CBI research which shows some foreign companies, competing for trade, scaremonger by emphasising the uncertainty in the UK market. Trade missions by the UK government are one way to combat this.
- 5.11 Sarah Dance said that 90% of the creative market are micro-businesses and freelancers. The Culture, Media and Sport Select Committee, chaired by Damian Collins, has launched an inquiry into the impact of Brexit on the creative industries, tourism and the digital single market.
- 5.12 Mark Dance commented on the CE mark. CE marks are usually issued by UK Notified Bodies, and notified Bodies are currently accredited via their national competent authority. When the UK leaves Europe, it is unlikely that the UK will be deemed a national competent authority. Current UK Notified Bodies could be forced to relocate their headquarters to another European State and seek re-accreditation in their new home.
- 5.13 The Partnership THANKED and NOTED Dr Amelia's Hadfield's presentation, agreed to email her any information and evidence which could support the production of the report. The Board agreed the KMEP Chairman should facilitate an approach by CCCU to the Kent and Medway MPs on arranging a launch event.

## **Item 6 – Kent & Medway Growth and Infrastructure Framework**

- 6.1 Katie Stewart, Kent County Council's Director of Environment, Planning & Enforcement, presented her update to the KMEP Board on the progress made in respect of the Kent & Medway Growth and Infrastructure Framework, the interim refresh, and the onward programme of work for the 2017 update.
- 6.2 She shared the emerging findings that have arisen. The headlines were:
- Provisional figures suggest the number of new homes required by 2031 is now in the region of 188,200; and the population growth will be 413,900 by 2031.

- The estimated infrastructure funding gap to 2031 is in the region of £2.25bn. The total infrastructure cost will be in excess of £7.1bn.
  - Transport and education are two types of infrastructure with the largest funding gap.
  - There is continued pressure from internal migration on Kent's population figures, and the particular focus of this pressure from London.
  - Maintenance of infrastructure is a growing issue that needs consideration alongside the delivery of new infrastructure.
- 6.3 Katie Stewart explained that the 2017 GIF update will provide a more accurate picture of the infrastructure cost for utilities, broadband and waste. The assumptions underpinning the NHS infrastructure costs will be more rigorously tested in the updated version.
- 6.4 The GIF is a useful tool to engage with the new Government, the London Mayor's office, and developers. The work, already started, to engage with utilities and national regulators will be continued, with the establishment of a Utilities Engagement Sub-Committee.
- 6.5 Katie Stewart explained the GIF could help to support:
- The introduction of more forward funding capacity for complex but critical infrastructure (such as M20 Junction 10a)
  - The work with districts to consider how the 5 year land supply issue can be addressed, and potentially engage Government in sharing the evidence of this impact.
  - The engagement with the London Mayor's office to try to establish a MoU or concordat between Kent and London. This MoU could set out some basic principles for how Kent expects to be engaged when London Borough purchase housing sites in Kent.
  - The engagement with the Government on the issues arising from the introduction of CIL.
- 6.6 KMEP Board Members made the following comments in response to the presentation:
- 6.7 In relation to the decision by Redbridge to buy a Canterbury housing site, Paul Watkins said that individual London boroughs do not need to abide by decisions of London Mayor. He has raised the issue with Charlie Elphicke, to press for this to become a national campaign. The support of the LGA and DCLG is being sought.
- 6.8 Peter Fleming echoed Paul Watkins comments, encouraging KCC to enter conversations with the London Councils, not only the mayor.
- 6.9 Douglas Horner stressed the need to integrate any communities that move to Kent from London. He emphasised that the capital cost for maintenance and renewal must be funded. He urged the local authorities to consider the infrastructure needs up to 2050, rather than 2031. He spoke of strategic planning, and his desire to prevent incremental growth that sacrifices quality.
- 6.10 Philip Cunningham referred to the issue of viability, as evidenced by Kent and Medway having an outstanding 48,870 unimplemented planning permissions as at

March 2015. Alan Jarrett and Fran Wilson emphasised the difficulties this is causing for local authorities and the impact on the 5 year land supply.

6.11 Jeremy Kite said the GIF should be a call for action and provide a clear message to Government. The message is that without critical infrastructure being funded and delivered in a sensible timeframe, it will not be possible for Kent and Medway to supply the houses desired by Government. He cited the A2 Bean Junction example, and how this had been promised for years, yet has not been delivered to date. Without this type of infrastructure and a new Lower Thames Crossing, the new housing developments cannot be delivered.

6.12 The Partnership NOTED the progress to date in development of the GIF.

### **Item 7 – Local Growth Fund 1 & 2: Delivery Progress Report**

7.1 Lee Burchill, the LGF Programme Manager explained the changes that had been made to the RAG-rated spreadsheet in response to the requests made at the previous KMEP Board meeting. These include showing the LGF spend to date, the direction of travel, and the date when each scheme should start to be delivered/constructed.

7.2 Progress regarding Thanet Parkway was discussed. Barbara Cooper commented on the work underway with Network Rail, and the revised cost estimates that had been received.

### **Item 8 – Any Other Business**

8.1 KMEP Board Members were reminded that the consultation on the Local Transport Plan version 4 would close on 30 October.

8.2 Miranda Chapman explained the findings of an independent report considering whether viable airport operations could be re-instated on the site of Manston Airport had been announced that morning (Tuesday 4 October). Aviation industry experts, AviaSolutions, conclude within their report that 'airport operations at Manston are very unlikely to be financially viable in the longer term and almost certainly not possible in the period to 2031'.

**ITEM 2B**

**Date:** 12 December 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
European Funding	09/2015 Item 3	<ul style="list-style-type: none"> <li>On 3 October, the Chancellor confirmed that the Government will guarantee funding for EU projects signed after the Autumn Statement and which continue after Britain leaves the EU. Projects will need to provide good value for money and be in line with domestic strategic priorities.</li> <li>In response to a request from DCLG, SELEP had submitted a pipeline of potential future ESIF projects to help inform the Treasury’s statement on EU funding. Potential K&amp;M project ideas included health and social care and trade development.</li> </ul>
Community-Led Local Development (CLLD)	04/2016 Minutes	<p>The stage 1 application for a Folkestone CLLD programme has been successful and the stage 2 submission is due by 31<sup>st</sup> January.</p> <p>This programme is for almost £5 million, of which 50% will come from European funds (ERDF/ESF), and will be targeted at residents and businesses within a target area within Folkestone.</p> <p>The programme will have three objectives with supporting actions to address the key issues facing Folkestone –</p> <ul style="list-style-type: none"> <li>Enhancing work-readiness and well-being,</li> <li>Promoting local business and supporting social enterprise, and</li> <li>Integrated delivery mechanisms</li> </ul>
Refresh of SELEP working arrangements and Strategic Economic Plan	09/2015 Item 3	<ul style="list-style-type: none"> <li>SELEP is keen to have the refreshed strategic economic plan fully aligned with Government’s Industrial Strategy – which has not yet been published. The <b>timetable</b> for producing and consulting on the SEP has therefore been <b>pushed back</b>. Exact dates still to be confirmed. Once they are known, the KMEP Strategic Programme Manager will circulate to attendees.</li> <li>The government has issued a new National Assurance Framework for LEPs which can be accessed at: <a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/567528/161109_LEP_Assurance_Framework.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/567528/161109_LEP_Assurance_Framework.pdf</a></li> </ul>

		<ul style="list-style-type: none"> <li>• As a result of this new NAF, the LEP must update its terms of reference and assurance framework.</li> <li>• The new ToR and the refresh of the SELEP working arrangements are being discussed at the SELEP Strategic Board on 9 December. For reference the paperwork is available at: <a href="http://www.southeastlep.com/images/uploads/resources/SELEP_Strategic_Board_Pack_091216.pdf">http://www.southeastlep.com/images/uploads/resources/SELEP_Strategic_Board_Pack_091216.pdf</a></li> <li>• There will be a need to refresh KMEP's terms of reference, and these will be discussed at the Board meeting in January.</li> </ul>
Lower Thames Crossing	10/2015 Item 3	SELEP is producing a "Lower Thames Crossing Prospectus". This will set out the package of funded improvements to the wider motorway and road network, which are needed to support the new Crossing. A draft copy will be circulated to KMEP Board Members once it is available for your comments.
Kent and Medway Growth Hub	08/2016 Item 3	An update on the Growth Hub can be found in the 'for information papers'.
Further Education Area Review	12/2016 Item 3	<p>Kent and Medway's Further Education Area Review has commenced.</p> <p>The purpose of the FE area review is for the Department for Education to assess all the post-16 education and training occurring in Kent and Medway, and evaluate how well this fits in with local economic and educational need.</p> <p>An integral part of the review process will be the area steering group meetings. The membership of this steering group comprises:</p> <ul style="list-style-type: none"> <li>• the chairs and principals of each college in the review area,</li> <li>• representatives from the Local Authorities (Sue Dunn from KCC and Neil Davies from Medway C).</li> <li>• 2 representatives from SELEP/KMEP (which are Louise Aitken (the SELEP Skills Manager), and Paul Winter (KMEP Board Member and the Chairman of KMEP's Skills Commission)).</li> <li>• the Further Education Commissioner,</li> <li>• the Sixth Form College Commissioner,</li> <li>• the Regional Schools Commissioner,</li> <li>• representatives from the Education Funding Agency, Skills Funding Agency, Department for Education and the area review team lead</li> </ul> <p>The first steering group meeting is taking place on 8<sup>th</sup> December. Feedback on the discussion will be provided to KMEP under item 3 of the agenda.</p>

## ITEM 6

**Date:** 12 December 2016

**Subject:** Infrastructure announcements in Autumn Statement & future engagement with MPs and National Infrastructure Commission

**Report authors:** Sarah Nurden, KMEP Strategic Programme Manager

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### Summary

The paper gives an overview of the Local Growth Fund Round 3 and Large Local Major Scheme announcements contained in the Autumn Statement. It then considers future engagement with the Kent & Medway MPs and the National Infrastructure Commission.

The Board is recommended to:

- a) Note the LGF3 and LLMS announcements made by Government.
  - b) Submit suggestions on the format and agenda of the KMEP Summit with the Kent and Medway MPs in Spring 2017.
  - c) Agree that a response to the National Infrastructure Commission's call for ideas should be prepared on behalf of KMEP.
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## 1. Introduction

1.1 On 23<sup>rd</sup> November, the Chancellor of the Exchequer delivered his Autumn Statement, and on 28<sup>th</sup> November, the Secretary of State issued a road funding announcement. This paper details how these policy statements relate to the SELEP Growth Deal, submitted in July 2016.

## 2. Local Growth Fund Round 3

2.1 In July 2016, SELEP submitted its Growth Deal and Large Local Major Schemes Fund submission to Government. The combined Growth Deal project list sought £229m of Local Growth Fund Round 3 investment from Government. This would help create over 73,500 jobs, enable the build of in excess of 31,000 new homes, and, significantly, lever £756m of third party investment, mainly from the private sector.

2.2 In the Autumn Statement, the Chancellor of the Exchequer confirmed that the full £1.8 billion of Local Growth Fund Round 3 (LGF3) monies will be allocated to Local Enterprise Partnerships (LEPs) across England.

2.3 Awards to individual LEPs (including SELEP) are not yet known at the time of writing, however, regional allocations were announced:

- £556 million of LGF3 will go to LEPs located in the North of England,
- £392 million of LGF3 will go to LEPs located in the midlands,
- £151 million of LGF3 will go to LEPs located in the east of England,
- £191 million of LGF3 will go to LEPs located in the south west, and
- £492 million of LGF3 will go to LEPs located in London and the south east

2.4 Indicative allocations in early November had suggested that SELEP would receive £45m-£55m in total. A concerted lobbying campaign has been undertaken by KMEP Board Members, SELEP and the Kent and Medway MPs. A new allocation has not been issued, however we are hopeful that the figure has increased. The final SELEP award will be revealed in a few weeks.

### 3. Large Local Major Schemes

#### LLMS Development Funding

3.1 In November 2016, the Government announced that the following 12 Large Local Major Schemes will be awarded development funding so they can produce a 'Web-TAG compliant' business case:

<b>Region</b>	<b>Scheme awarded development funding in Nov 2016</b>
Midlands	<ul style="list-style-type: none"> <li>• Melton Mowbray Eastern Distributor Road</li> <li>• Shrewsbury North West Relief Road</li> <li>• South Coventry Link Road</li> </ul>
North	<ul style="list-style-type: none"> <li>• A500 Dualling (Cheshire)</li> <li>• A1079/A164 Jocks Lodge Junction</li> <li>• Manchester Metrolink airport extension to Terminal 2</li> <li>• New Tees Crossing</li> <li>• Sheffield Mass Transit Scheme</li> <li>• Sheffield City Region Innovation Corridor</li> <li>• Tees Valley East-West connections</li> <li>• Warrington Waterfront western link</li> </ul>
East of England	<ul style="list-style-type: none"> <li>• Suffolk Energy Gateway new road</li> </ul>

3.2 These 12 Large Local Major Schemes are in addition to 6 further schemes, which were awarded development funding previously (in the summer budget 2015 or in August 2016). These schemes are:

<b>Region</b>	<b>Scheme awarded development funding in 2015 or Aug 2016</b>
East of England	<ul style="list-style-type: none"> <li>• Great Yarmouth Third Crossing (Aug 16)</li> </ul>
Midlands	<ul style="list-style-type: none"> <li>• Worcester Carrington Bridge (Aug 16)</li> </ul>
North	<ul style="list-style-type: none"> <li>• Middlewich Bypass (Cheshire) (Aug 16)</li> </ul>
South East	<ul style="list-style-type: none"> <li>• M11 Junction 7a (Aug 16)</li> </ul>
South West	<ul style="list-style-type: none"> <li>• Cornwall A391 (A30 to St Austell Link) (2015)</li> <li>• North Devon Link Road (2015)</li> </ul>

- 3.3 **The M11 junction 7a bid was included in the South East Growth Deal**, submitted by SELEP to the Government in July 2016. This LLMS scheme delivers a new motorway junction, M11 Junction 7a, to tackle congestion at M11 Junction 7, which is the only access to the Strategic Road Network from Harlow.
- 3.4 The DfT has stressed that, once the business cases have been received for the 18 schemes listed above, it will make decisions on which will receive Programme Entry approval i.e. funding for construction. This is a competitive process and not all of these schemes will proceed.

#### **LLMS Programme Entry**

- 3.5 The DfT had already approved Programme Entry for two schemes:
- Lowestoft Lake Lothing Third Crossing
  - Ipswich Upper Orwell Crossing (also known as Ipswich Wet Dock)
- These 2 schemes have received the funding for planning, detailed design and procurement.

#### **4. Future Activity**

- 4.1 The omission of the Lower Thames Crossing, the Brenley Corner Large Local Major Scheme, and the dualling of the A2 from the road funding announcement are of great concern to partners in Kent and Medway.
- 4.2 To gain greater traction with the decision-makers in Westminster, the KMEP Chairman and Strategic Programme Manager have been in communication with Charlie Elphicke M.P., (who acts as Chairman for the Kent and Medway MP meetings). Arising from those discussions, it has been agreed to hold a KMEP summit for the Kent and Medway MPs in Spring 2017. Four possible dates for the summit are being circulated to the MPs to see which date is most convenient; these are 20 January, 17 February, 17 March and 21 April. The overriding purpose of the summit will be to engage the Members of Parliament in discussion on the infrastructure required locally in order to unlock economic growth. The views of KMEP Board Members are sought on the programme and format of the KMEP Summit.
- 4.3 In addition to working with the Kent and Medway MPs, it is clear from the Autumn Statement that the Government highly values the recommendations made by the National Infrastructure Commission. This Commission was established to provide the Government with impartial, expert advice on major long-term infrastructure challenges.
- 4.4 A 'call for evidence' has been issued by the National Infrastructure Commission, which is appended to this report, and can also be accessed at:  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/563516/NIA\\_call\\_for\\_evidence\\_October\\_2017.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/563516/NIA_call_for_evidence_October_2017.pdf)
- 4.5 The deadline for submissions to this call is 10 February 2017. Assuming that KMEP wishes to respond, it is suggested that:
- a) Any suggested ideas to feature in the response are sent to [sarah.nurden@kent.gov.uk](mailto:sarah.nurden@kent.gov.uk) by **Wednesday 18 January 2017**;

b) A draft response to the call can then be circulated to KMEP on 23 January 2017 for further debate at the KMEP Board Meeting on Monday 30<sup>th</sup> January 2017.

## **5. Recommendations**

5.1 The Board is recommended to:

- a) Note the LGF3 and LLMS announcements made by Government.
- b) Submit suggestions on the format and agenda of the KMEP Summit with the Kent and Medway MPs in Spring 2017.
- c) Agree that a response to the National Infrastructure Commission's call for ideas should be prepared on behalf of KMEP.

# NATIONAL INFRASTRUCTURE ASSESSMENT CALL FOR EVIDENCE

# 1. INTRODUCTION

## 1.1

The National Infrastructure Commission ('the Commission') was established by the Chancellor of the Exchequer in October 2015, with Lord Andrew Adonis appointed as its interim Chair. The other members of the Commission are:

- Sir John Armitt (Deputy Chair)
- Professor Tim Besley
- Demis Hassabis
- Lord Heseltine
- Sadie Morgan
- Bridget Rosewell
- Sir Paul Ruddock

The National Infrastructure Commission is currently operating in interim form until it is formally established on a permanent basis in January 2017.

On 12 October 2016, the government published its Charter for the National Infrastructure Commission. The Charter states that the Commission is a permanent body that "will operate independently, at arm's length from government, as an executive agency of HM Treasury". The Commission will continue on an interim footing until it – and the Charter – formally comes into force. The National Infrastructure Commission is, and will remain, operationally independent throughout the process. As such, no distinction is made between the Commission's interim and permanent forms.

It is functioning within the terms of reference laid out by the government, which set out a central responsibility for the Commission to produce a National Infrastructure Assessment (NIA) once a Parliament. This document seeks views and evidence on behalf of the Commission, not government ministers.

## 1.2

The National Infrastructure Commission has been established to provide the government with impartial, expert advice on major long-term infrastructure challenges. The government will provide the Commission with clear guidance by issuing a public remit letter, which will include a binding fiscal remit to ensure that the Commission's recommendations are affordable. While the government will set the Commission's remit (and the terms of reference for the in-depth studies that it undertakes), in all other respects it will have complete discretion to independently determine its work programme, methodology and recommendations, and the content of its reports and public statements.

## 1.3

The objectives of the National Infrastructure Commission are to: (i) support sustainable economic growth across all regions of the UK, (ii) improve competitiveness and (iii) improve quality of life.

## 2. CALL FOR EVIDENCE

### 2.1

The Commission is launching a 15 week call for evidence to provide input into the development of its National Infrastructure Assessment, and encourages all interested parties to submit evidence, ideas and solutions.

The Commission will produce an NIA once in every Parliament, setting out the Commission's assessment of long-term infrastructure needs on a 30-year time horizon with recommendations to the government. In completing the NIA, the Commission will build on the work of individual actors, including government departments, sub-national and regional bodies and regulators. The Commission will consider the demand and supply of infrastructure services, such as journeys or communication, as well as infrastructure assets, such as roads or fibre optic cables.

The Commission will cover economic infrastructure in the NIA but sectors will not be tackled independently from each other. The NIA will be developed by assessing the infrastructure system as a whole using a robust, common methodology to develop needs assessments that take account of strategic cross-sector considerations and resilience implications. In terms of the individual sectors, the Commission will cover: transport, digital communications, energy, water and wastewater (drainage and sewerage), flood risk management, and solid waste.

The Commission will publish a Vision and Priorities document in summer 2017. This will inform the full NIA, which will be published in 2018.

Submissions to the call for evidence are welcome across the full range of sectors and issues relevant to the NIA.

In order to provide assistance to respondents, the Commission has identified 28 key questions which it believes will be important to answer in order to understand the main infrastructure challenges facing the country over the coming decades. Respondents are not required to base their submissions around these questions, or to respond to the full set, but they may find them helpful in providing a focus on issues that are likely to be important in the assessment process.

Please note that this call for evidence is separate from a [call for ideas](#) currently being run jointly by the National Infrastructure Commission and HM Treasury to inform decisions on the Commission's next in-depth study or studies.

### 2.2

Those making submissions are asked not to exceed 20 sides of A4 paper in length, and are strongly encouraged to provide details of the evidence and data which support their positions. This will enable the Commission to understand more fully the basis on which those conclusions have been reached. The Commission will work with key local and national stakeholders as part of an open and transparent programme of engagement to support the call for evidence. In addition to its publications and the consultations that it carries out, the Commission's engagement tools also include the use of expert advice and challenge (through establishing panels and hosting roundtables) along with regional roundtables, sectoral seminars and social research.

## 2.3

As part of this call for evidence, the Commission also invites local government, LEPs and other organisations to share plans that are relevant to nationally strategic infrastructure, to help inform the evidence base for the NIA.

# 3. CONTEXT

## 3.1

The National Infrastructure Commission has committed to producing a National Infrastructure Assessment once in every Parliament, setting out the Commission's assessment of long-term infrastructure needs with recommendations to the government.

## 3.2

In May 2016, the Commission launched a consultation, seeking views on the process and methodology of the NIA. The consultation received over 170 responses from a diverse range of stakeholders. The Commission has published its [response to the consultation](#) alongside this call for evidence.

## 3.3

This call for evidence is the next step in the Commission's work to produce its first NIA. The Commission's consultation on the scope and methodology of the NIA received a large number of informative responses, and the Commission will continue to engage with stakeholders, including industry, business, central and local government, regulators, academia, civil society and the wider public during this call for evidence and after it closes.

## 3.4

The input received through the call for evidence will be assessed by the Commission, alongside other evidence, to identify long-term infrastructure challenges and highlight priority areas for action over the medium-term. The conclusions of this process will be set out in a Vision and Priorities document to be published in summer 2017. This will form the basis for a public consultation process, which will then inform the full NIA, to be published in 2018.

## 4. QUESTIONS

The questions that the Commission has identified to assist respondents in focusing their submissions to this call for evidence are set out below:

### Cross-cutting issues:

1. What are the highest value infrastructure investments that would support long-term sustainable growth in your city or region?

*Note: this can apply to national, regional or local infrastructure, where you consider it would best support sustainable growth in your city or region in practice. Considerations of “highest value” should include benefits and costs, as far as possible taking a comprehensive view of both. “Long-term” refers to the horizon to 2050 and should exclude projects that are already in the pipeline.*

2. How should infrastructure most effectively contribute to the UK’s international competitiveness? What is the role of international gateways for passengers, freight and data in ensuring this?

3. How should infrastructure be designed, planned and delivered to create better places to live and work? How should the interaction between infrastructure and housing be incorporated into this?

4. What is the maximum potential for demand management, recognising behavioural constraints and rebound effects?

*Note: “demand management” includes smart pricing, energy efficiency, water efficiency and leakage reduction. “Rebound effects” refer to the tendency for demand to increase when measures aimed at reducing or spreading demand also lead to lower prices or reduced congestion, undoing at least some of any demand reduction. For example, if smart meters reduce the cost of electricity in off-peak periods, this could lead to greater energy consumption overall, where a large number of individuals or firms take advantage of these lower prices by increasing their total usage.*

5. How should the maintenance and repair of existing assets be most effectively balanced with the construction of new assets?

6. What opportunities are there to improve the role of competition or collaboration in different areas of the supply of infrastructure services?

7. What changes in funding policy could improve the efficiency with which infrastructure services are delivered?

*Note: by “funding”, the Commission means who pays for infrastructure services and how, e.g. user charges, general taxation etc.*

8. Are there circumstances where projects that can be funded will not be financed? What government interventions might improve financing without distorting well-functioning markets?

*Note: projects that “can be funded” but “will not be financed” refers to projects that can be paid for, but where the upfront costs of construction cannot be raised at an efficient price and/or with an appropriate risk sharing balance between the different parties. General government financing policy (i.e. the issuance of gilts) is out of scope.*

9. How can we most effectively ensure that our infrastructure system is resilient to the risks arising from increasing interdependence across sectors?

*Note: this includes resilience against external risks and/or problems that arise in one or more parts of the system.*

10. What changes could be made to the planning system and infrastructure governance arrangements to ensure infrastructure is delivered as efficiently as possible and on time?

11. How should infrastructure most effectively contribute to protecting and enhancing the natural environment?

12. What improvements could be made to current cost-benefit analysis techniques that are credible, tractable and transparent?

*Note: “credible” improvements are those that generate results that are in line with robust evaluation findings for comparable schemes. “Tractable” improvements are those that can generate usable quantitative outputs. “Transparent” improvements are those that do not rely on ‘black box’ modelling and assumptions.*

## Transport:

13. How will travel patterns change between now and 2050? What will be the impact of the adoption of new technologies?

*Note: “travel patterns” include both the frequency and distance of trips taken, as well as the mode of transport used. This covers both personal and commercial travel, including freight.*

14. What are the highest value transport investments to allow people and freight to get into, out of and around major urban areas?

*Note: “high value transport investments” in this context include those that enable ‘agglomeration economies’ – the increase in productivity in firms locating close to one another.*

15. What are the highest value transport investments that can be used to connect people and places, as well as transport goods, outside of a single urban area?

*Note: this includes travel in and between rural areas, as well as between urban areas and international travel.*

16. What opportunities does ‘mobility as a service’ create for road user charging? How would this affect road usage?

## Digital communications:

17. What are the highest value infrastructure investments to secure digital connectivity across the country (taking into consideration the inherent uncertainty in predicting long-term technology trends)? When would decisions need to be made?

18. Is the existing digital communications regime going to deliver what is needed, when it is needed, in the areas that require it, if digital connectivity is becoming a utility? If not, how can we facilitate this?

*Note: the existing “regime” refers to the current market, competition and planning frameworks. “Digital communications” includes both fixed and mobile connectivity.*

## Energy:

19. What is the highest value solution for decarbonising heat, for both commercial and domestic consumers? When would decisions need to be made?

20. What does the most effective zero carbon power sector look like in 2050? How would this be achieved?

*Note: the “zero carbon power sector” includes the generation, transmission and distribution processes.*

21. What are the implications of low carbon vehicles for energy production, transmission, distribution, storage and new infrastructure requirements?

## Water and wastewater (drainage and sewerage):

22. What are most effective interventions to ensure the difference between supply and demand for water is addressed, particularly in those parts of the country where the difference will become most acute?

*Note: “demand” includes domestic, commercial, power generation and other major sources of demand.*

23. What are the most effective interventions to ensure that drainage and sewerage capacity is sufficient to meet future demand?

*Note: this can include, but is not necessarily limited to, governance frameworks across the country.*

24. How can we most effectively manage our water supply, wastewater and flood risk management systems using a whole catchment approach?

## Flood risk management:

25. What level of flood resilience should the UK aim to achieve, balancing costs, development pressure and the long-term risks posed by climate change?

26. What are the merits and limitations of natural flood management schemes and innovative technologies and practices in reducing flood risk?

*Note: “innovative technologies and practices” can include, but is not necessarily limited to, property level resistance and resilience, temporary defences, advances in predictive asset maintenance and innovative construction materials.*

## Solid waste:

27. Are financial and regulatory incentives correctly aligned to provide sufficient long-term treatment capacity, to finance innovation, to meet landfill and recycling objectives and to assign responsibility for waste?

28. What are the barriers to achieving a more circular economy? What would the costs and benefits (private and social) be?

*Note: A “circular economy” is an alternative to a traditional ‘linear economy’ (i.e. make, use, dispose) in which products are designed and packaged to minimise waste, and resources are kept in use for as long as possible, e.g. through re-use, recycling and greater recovery of materials through the waste management process.*

## 5. HOW TO RESPOND

### 5.1

The evidence submitted will inform the Commission's understanding of the wider issues surrounding the review we have been asked to undertake.

### 5.2

Submissions of evidence should be no longer than 20 sides of A4 paper and should be emailed to [NIAEvidence@nic.gsi.gov.uk](mailto:NIAEvidence@nic.gsi.gov.uk).

### 5.3

Please provide submissions and evidence by Friday 10 February 2017.

### 5.4

Evidence will be reviewed thereafter by the Commission. If further information or clarification is required, the Commission secretariat will be in contact with you.

### 5.5

In exceptional circumstances we will accept submissions in hard copy. If you need to submit a hard copy, please send your response to the Commission Secretariat at the following address:

NIA Call for Evidence  
National Infrastructure Commission  
11 Philpot Lane  
London  
EC3M 8UD

### 5.6

We may publish any submissions made; if you believe there is a reason why your submission or any part of your submission should be considered confidential, please provide details.

### 5.7

The Commission is subject to legal duties which may require the release of information under the Freedom of Information Act 2000 or any other applicable legislation or codes of practice governing access to information.

## ITEM 7

**Date:** 12 December 2016

**Subject:** Local Growth Fund Rounds 1 & 2: Delivery Progress Report & Update on Ashford Spurs

**Report authors:** Helen Dyer, Project Officer (LGF projects), Medway Council  
Lee Burchill, Local Growth Fund Programme Manager, Kent County Council

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### 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. Note the details on the 2 projects currently RAG rated red at Appendix D
  3. Note the update on the Ashford Spurs project in Appendix E
- 

### 1. Introduction

1.1 £151.7 million has been allocated from the Local Growth Fund (LGF) round 1 and 2 to capital projects – primarily transport schemes - in Kent and Medway.

### 2. Business case development

3.1 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 SELEP Accountability Board.

3.2 Across Kent and Medway, funding has been secured for all schemes programmed to start in 2016/17, with the exception of Dover Harbour Board, the business case for which was submitted on 18<sup>th</sup> November 2016.

3.3 At the last South East LEP (SLEP) Accountability Board on the 18<sup>th</sup> November 2016, the Board approved the Business Case and LGF allocation to for the A226 London

Road/B255 St Clements Way shown in Annex 1 Table 1, totalling £4.2m. The Kent Strategic Congestion Management Programme and the Dover Western Docks projects are due to be considered by SELEP Accountability Board on 24<sup>th</sup> February 2017 are identified in Appendix 1 Table 2. It should be noted that no KCC or Medway projects will be considered for the extra Accountability Board on 20<sup>th</sup> January 2017.

### **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:**

- 8 are Green (business case approved, funding fully secured and delivery on target).
- 14 are Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);
- 2 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)

### **1. Recommendations**

The Board is recommended to:

- Note the update on LGF project scheme delivery
- Note the details on the 2 projects currently RAG rated red at Appendix D
- Note the update on the Ashford Spurs project in Appendix E

### **2. Appendices:**

Appendix A: RAG spreadsheet (Kent County Council schemes) (Page 26)

Appendix B: RAG spreadsheet (Medway Council schemes) (Page 38)

Appendix C: Business Case Update (Kent County Council schemes) (Page 42)

Appendix D: Details of projects highlighted red in the RAG rating (Page 43)

Appendix E: Update on the Ashford international Rail Connectivity Project (Page 45)

KENT – ITEM 7 – APPENDIX A - PROJECT RAG STATUS

Scheme	Description	Scheme delivery by	Budget	LGF Spent to Date			Status	RAG Status	Comments	Key Events for Next Period	Estimated outcomes		
				2015/16 (million)	Profiled to spend in 2016/17	2016/17 (million) up to end of Oct 2016					Target Jobs	Target Homes	Other
<b>LGF1</b>													
A28 Chart Road, Ashford	Carriageway dualling, junction improvements and NR bridge widening. Start of works planned for Spring 2018 with an 18 month construction period.	2019/20	£32.77m (£10.2m SLGF, £22.57m match funding)	£0.89	£1.12	£0.19	<b>DETAILED DESIGN</b> (Business Case Approved)	↓	Ongoing meetings arranged with solicitors from KCC, ABC and the developers in order to resolve outstanding issues with S278 and S106 with a view to being able to sign the agreements in December. Land negotiations ongoing and CPO delayed due to delay in signing s106. It is hoped that the CPO process and award of Contract can take place at the end of January 2017. Amey will commence some detail design activities to mitigate the delay in awarding the ECI stage of the contract.	Network Rail Two Party Agreement signed. Submission of tender documents and start tender assessment process. Hold meeting to finalise and agree s106 and s278 agreements.	250	600	
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	2020/21	£29.60m (£5.90m SLGF, £23.70m match funding)	£0.00	£1.00	£0.19	<b>OUTLINE DESIGN</b> (Business Case Approved)	→	Outline Design Progressing. Regular meetings with developers to agree layout of the link road and interface between adjacent development sites.	Progress outline designs and preparation of documentation for submission of Planning Application, due to be submitted March 2017. Issue Front End pack to	250	720	

	Spring 2019 with an 18 month construction period.									Network Rail for acceptance. Agree scoping for archaeology investigation works required to inform the planning submission.			
A28 Sturry Road 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)	£0.02	£0.02	£0.00	<b>FEASIBILITY</b> (Business Case Approved - Scheme deferred until 2017/18)	→	No progress as previously agreed to put on hold bus lane proposal. Separate scheme has been suggested but not progressed at this stage.	Confirm what is to be promoted with Canterbury CC in line with delivery in 2017/18.	50	100	
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)	£0.00	£0.80	£0.00	<b>DETAILED DESIGN</b> (Business Case Approved)	↓	Ongoing meetings and communication between KCC development planning / highways agreement teams to progress the Section 38 agreement package. Agreed an acceptable way forward in relation to the road layout to allow agreement to be progressed. Agreed that indicative road junctions within the new road will now be omitted until the internal layout of the associated housing development is worked up in more detail. Legal Agreement has been signed by the developer and will be engrossed in December 2016 to allow the drawdown of LGF funds allocated for 2016/17 from KCC.	Progress Section 38 Agreement, Planning permission to be granted (section 106 signed). Agree specification / method for ground preparation between Quinn Estates and KCC agreements Team.	150	150	

A226 London Rd/B255 St Clements Way, Dartford	Junction improvements. Start of works planned for Spring 2019 for 12 months.	2019/20	£6.9m (£4.2m SLGF, £2.7m match funding)	£0.00	Allocation for 2018/19 onwards (£1.1m profiled for 2018/19)	£0.05	<b>OUTLINE DESIGN</b> (Business Case going to Accountability Board in November 2016)	→	Business case approved by SELEP Accountability Board on 18th November 2016. Outline design ongoing and detailed design commission discussed with Amey to meet accelerated programme of spend ahead of 2018/19 allocation to assist with underspend elsewhere in programme.	Continuation of outline design. Issue detail design commission to Amey to meet accelerated programme.	2395	890
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	£9.5m (£4.2m SLGF, £5.3m match funding)	£1.56	£2.64	£1.59	<b>CONSTRUCTION</b> (Business Case Approved)	→	Sites works including bridge strengthening in Railway Place - progressing.	Progress construction on site. Progress the bridge strengthening of Windmill Street Tunnel with Network Rail involvement.	215	390
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)	£0.70	£3.90	£1.94	<b>CONSTRUCTION</b> (Business Case Approved)	→	Good progress being made with main traffic scheme commissioned on 1st December 2016. All associated TM will be removed during the Christmas trading period. Works to the lower High Street will continue managing pedestrians accordingly. Continuing to develop additional areas to reduce any potential underspend.	Commence granite paving works to the lower High Street.	1250	2000
Maidstone sustainable access to employment areas	New pathway along the River Medway between Aylesford Village and Allington Lock and	2016/17 /18	£3m (£2m SLGF, £1m match funding)	£0.13	£1.87	£0.18	<b>PRE-CONSTRUCTION</b> (Business Case approved)	→	Construction has begun on multiple sites with both EOS and BAM contracts signed and work commencing. Progress on target for spend in 2016/17 and delivery in 2017/18. Closure notices in place	Continue construction phases and review progress to maximise spend in 2016/17.	350	475



Sittingbourne Town Centre Regeneration (developer delivered), Swale	Re-alignment of St. Michaels' Rd and public realm improvements adjacent to rail station. Construction planned to start in 2015/16.	2015/16 /17	£4.5m (£2.5m SLGF, £2.2m match funding)	£0.34	£2.16	£0.17	<b>DETAILED DESIGN</b> (Business Case Approved)	↓	Swale BC have confirmed that subject to Cabinet approval on 7th December, they will fund £2.2m of highways works and commit to making the decision to either spend it as additional to the £2.5m LGF to deliver the whole scheme, or to repay to KCC/ SELEP should any of the £2.5m be clawed back. Following the discussion at the STC Board meeting on 9th Nov 16 - SBC has also confirmed that any works that are instructed pre unconditional are accepted so long as they can demonstrate wider benefit. This includes utilities, service diversion, demolition of Princes Street Depot and Phase 1 road works.	Meeting with Swale BC and developers to be held on 6th December to agree revised programme of delivery and more realistic spend profile based on agreements in place.	560	214	Training facilities
Thanet Parkway, Thanet	New rail station. Start of works planned for March 2018 for a 12 month construction period.	2019/20	Project cost under review (£10m SLGF)	£0.00	Allocation for 2017/18 onwards (£4m profiled for 2017/18)	£0.00	<b>FEASIBILITY</b> (Business Case being prepared)	→	Network Rail have reviewed AECOM's response to their comments made to the Outline Design report. Further work is required to achieve Approval in Principle from Network Rail. The transport assessment is being updated for the planning application. The New Stations Fund (NSF) 2 was announced on 28th Aug 16 and KCC submitted an application on 25th Nov 16.	Announcement on NSF2 submissions. GRIP 3 AiP and LGF business case submission. The public consultation is due to start mid-January and be complete by mid-March 2017.	2100	800	

M20 Junction 4 Eastern Overbridge	Widening of existing motorway overbridge. On programme, but slight delay in commencement on site.	2016/17	£5.69m (£2.2m SLGF, £3.49m match funding)	£0.49	£1.71	£1.93	<b>CONSTRUCTION</b> (Business Case Approved)	↑	Site works progressing and on target for delivery in early 2017. Monthly progress meetings held with representatives from KCC, HE and Aone+	Progress site works. Arrange handover workshop with HE	745	1695
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)	£1.83	£0.57	£0.37	<b>DELIVERED - PHASE 1 OUTLINE/ DETAILED DESIGN - PHASE 2</b> (Business Case Approved)	→	Tonbridge Phase 2 schemes being taken forward in 2016/17: <b>1.</b> Riverwalk - detailed design progressing and programmed start date is w/c 14th November 2016 to be completed by march 2017; <b>2.</b> Hadlow Road/Cannon Lane jct improvements completed mid September 2016 with snagging/defects to be highlighted and rectified <b>3.</b> Brook Street/Waterloo Road cycle improvements - early discussions taken place but no detailed designs yet <b>4.</b> A21 Pembury Road cycle improvements - outline designs completed.	<b>1.</b> River Walk to start construction w/c 14th November for 14 weeks. <b>2.</b> complete defects for Hadlow Road/Cannon Lane junction improvements and finalise accounts <b>3.</b> Brook Street/Waterloo Road outline designs to be progressed and work with DHA as they are dealing with the Tunbridge Wells to Tonbridge cycle scheme that is being promoted by Kerry Clarke <b>4.</b> A21 Pembury Road detailed design underway and support gained from local and county Members. Funding to be agreed LGF/Highways England	366	1000

<p>Tunbridge Wells Jct Improvements (formerly A26 London Rd/ Speldhurst Rd/ Yew Tree Rd)</p>	<p>Junction improvement and A264 junction changes. Start of works for phase 1 planned for January 2016. Phase 2 construction planned for summer 2017</p>	<p>2015/16 /17</p>	<p>£1.8m SLGF</p>	<p>£0.60</p>	<p>£0.20</p>	<p>£0.11</p>	<p><b>DELIVERED - PHASE 1 FEASIBILITY- PHASE 2</b> (Business Case Approved for phase 1, further approvals required for remaining allocation)</p>	<p>→</p>	<p>Investigation into possible junction improvements to be delivered in 2017/18 ongoing. Previously identified schemes for the Royal Oak improvement and UTMC returned no benefit following further modelling/analysis and the A21 NMU cycle link has now secured funding through Highways England. Therefore further work required to progress the benefit of delivering A26/A264 cycle improvements.</p>	<p>Route assessments have been undertaken on both the A26 and A264 and outline design/consultation could be quickly progressed for delivery in 2017/18.</p>	<p>105</p>	<p>85</p>	
<p>West Kent LSTF</p>	<p>A package of measures to support travel by sustainable means. Start of works planned for 2015/16.</p>	<p>2015/16 to 2020/21</p>	<p>Total across 6 years - £9.06m (£4.9m SLGF, £4.16m match funding)</p>	<p>£0.80</p>	<p>£1.40</p>	<p>£0.01</p>	<p><b>OUTLINE/DETAIL D DESIGN</b> (Business Case Approved)</p>	<p>↓</p>	<p>The demolition of the Vic P/H is expected to follow on from the bat and asbestos surveys which are currently underway. NSIP agreement is due to be signed by Network Rail and KCC in Nov 16 and a communication plan also requires approval from the various stakeholders to enable the Maidstone East station improvement works to begin. Legal agreement between KCC and TWBC requires signing to allow TWBC to drawdown LGF funds allocated to them from KCC for the Phase 2 public realm works. Tonbridge consultation is underway and the first event took place in Nov 16. KCC have responded to the Swanley and Hextable Masterplan Consultation, awaiting</p>	<p>Complete TWBC and NR legal agreements.</p>	<p>345</p>	<p>393</p>	

									outcome of the consultation before deciding how the existing Swanley station improvement scheme will progress.			
Kent Thameside LSTF	A package of measures to support travel by sustainable means. Start of works planned for 2015/16.	2015/16 to 2020/21	Total across 6 years - £7.65m (£4.5m SLGF, £3.15m match funding)	£2.05	£0.85	£0.07	<b>OUTLINE / DETAILED DESIGN</b> (Business Case Approved)	↓	Meeting of stakeholders held on 14/11/16 to discuss expanding the scope of the Gravesend Bus Hub to include Garrick St and the impact of bendy-buses. Tender has been published for Gravesend wayfinding and contractor will be appointed in Nov 16. Substitute schemes for Bob Dunn Way have been commissioned. Draft legal agreement sent to DBC for comments.	Complete DBC legal agreement and land purchase for Gravesend Bus Hub.	843	657
Kent Strategic Congestion Management programme	Package of congestion management initiatives. Start of works planned for 2015/16.	annually until 2020/21	Total across 6 years - £4.8m SLGF	£0.86	£0.74	£0.55	<b>CONSTRUCTION / DETAILED DESIGN</b> (Annual supplementary Business Cases are required to secure future years' funding)	→	Ashford traffic signal schemes (A292 Mace Lane/Wellesley Road and Somerset Road/Canterbury Road junctions) are now complete with small works outstanding in relation to having them operate in SCOOT. M2/A2 corridor being assessed to see if some preliminary works could be ordered in 16/17 to help with spend. Outline business case submitted on 18th November 2016 to be reviewed in line	Orders to be raised for Ashford SCOOT works and modelling assessment of M2/A2 completed. Further business case required for later year allocations from SELEP.	1903	2230

									with the gate 1 and 2 review timetable for a decision at the Accountability Board on 24th February 2017.			
Kent Sustainable Interventions programme - 2015/16 Scheme details	Package of smaller transport interventions. Start of works planned for 2015/16.	annually until 2020/21	Total across 6 years - £3m SLGF (£0.5m annually)	£0.14	£0.82	£0.10	<b>DETAILED DESIGN</b> (Annual supplementary Business Cases are required to secure future years' funding)	→	(1) Folkestone to Hythe Cycle improvements 16/17 - Scheme design complete. Contractor in process of programming the work but no start date as yet. (2) Folkestone Town Centre Cycle links 16/17 - At Detailed design stage for both routes (3) Tonbridge Angels to Rail Station cycle improvements 16/17 - At Detailed design stage.	(1) Folkestone to Hythe Cycle improvements - Awaiting start date from Contractor - Work with contractor and District Council to get a start date for the scheme (2) Folkestone Town Centre cycle links due for completion of designs 19/01/17 (3) Tonbridge Angels to Rail Station cycle improvements - Likely start date is February 2017 with construction likely to continue into new financial year.	1335	1440
Kent Rights of Way improvement plan	Package of ROWIP measures. Start of works planned for 2015/16.	2015/16 to 2020/21	Total across 6 years - £0.3m SLGF	£0.19	£0.21	£0.03	<b>PRE-CONSTRUCTION</b> (Business Case Approved)	↓	Two schemes to be delivered in 2016/17. Powder Mills and Ashford (Taylor Wimpey), First agreement acquired with second agreement still outstanding. Construction tender still required and delivery of 2016/17 works may be delayed into 2017/18.	Acquire second agreement and secure additional width prior to works.	140	N/A

M20 Junction 10A (now a full junction to be delivered by Highways England)	Delivered by Highways England	2018/19	£104.4m (£19.7m SLGF, £16m match funding, £68.7m Highways England)	£0.00	Allocation for 2017/18 onwards (£8.3m profiled for 2017/18)	£0.00	Highways England to prepare BC.	→	Highways England have published the Development Consent Order (DCO) on 11 August 2016 and KCC have responded to the consultation. Scheme planned to start in Jan 2018.	KCC have submitted comments in relation to the draft statement of common ground. A preliminary meeting and open floor hearing in relation to the DCO will be held on 2nd December 2016. The intention is for this scheme to be considered at the next SELEP Accountability Board meeting in January 17 to approve the £19.7m funding allocation following consideration of the Business Case by Highways England.	900	1700	
<b>LGF2</b>													
Dover Western Dock Revival	Package of highway improvements.	2016/17	£5m SLGF	£0.00	£5.00	£0.00	<b>FEASIBILITY</b> (Business Case being prepared)	→	Outline business case submitted on 18th November 2016 by Dover Harbour Board to be reviewed in line with the gate 1 and 2 review timetable for a decision at the Accountability Board on 24th February 2017.	Business case approval by SELEP/DfT in February 2017 to allow Dover Harbour Board to drawdown LGF funds allocated for 2016/17 from KCC. Begin work on Legal Agreement between KCC and DHB.	1685	500	Enables broader Western Docks Revival scheme

Ashford International Rail Connectivity (Ashford Spurs)	Signalling upgrade to maintain international rail services at Ashford International station	2016/17 to 2018/19	£10.5m (£0.7m partner funding; £5m LGF2)* Awaiting outcome of LGF3 bid for funding gap of £4.8m	£0.00	£2.00	£0.00	<b>OUTLINE DESIGN</b> (Business Case for LGF2 approved at Accountability Board in September 2016, further business case required for LGF3 allocation)	→	Good progress: completion of GRIP 1 to 3a on time and on budget; work commenced on next stage, GRIP 3b to 5. Regular monthly updates from Network Rail team at project board meetings.	Continue with delivery of GRIP 3b to 5, utilising estimated spend of £1,885,000 of LGF2 allocation in 2016/17. Finalise legal agreement to allow Network Rail to drawdown LGF funds allocated for 2016/17 from KCC.	1000	350	Retention of International Rail Services to Ashford International Railway Station
Folkestone Seafont (developer delivered)	Construction of platform and sea defences to facilitate development of Folkestone Seafont.	2017/18	£22.11m (£5m SLGF, £17.11m match funding)	£0.00	£4.00	£0.00	<b>PRE-CONSTRUCTION</b> (Business Case approved)	→	Legal Agreement progressed and ready to be finalised. Site visit meeting with 3rd Party took place in early October and PM steering group teleconference on 4th November to agree breakdown of the drawdown, tender returns, timetables and designs of scheduled work.	Finalise Legal Agreement in December 2016 to allow Folkestone Harbour to drawdown LGF funds allocated for 2016/17 from KCC. Award contract for works.	450	1000	Major contribution to regeneration of Folkestone seafont and town centre
<b>NON-TRANSPORT</b>													
Innovation Investment Fund (Growth Hub Capital)	Loan support programme.	annually until 2020/21	Total £6m (£1m annually)	£0.00	£2.00	£0.39	<b>SECOND ROUND OF APPLICATIONS LAUNCHED</b> (Business Case approved. Further Business Cases may be required because of the quantum and duration of the programme)	→	I3 Phase 1 Agreed at Approval Board and accepted by Applicants to a value of £388,500 ( 16 Jobs to be created, 18 safeguarded). I3 Phase 2 Full Applications confirmed to a value of £1,750,000, however, decision taken at Approval Board on 4th Nov 2016 for only £800k of loans with some as partial offers.	Phase 3 loans to be offered to value of £1.8m, starting with opening pre-applications for end of November 2016. Programme to be looked at as will need contract meetings and legal agreements finalised before end of March 2017.			
Westenhanger Lorry Park	Removed from programme following approval by KMEP and AB												

## Kent schemes

<b>RAG Status</b>	<b>August 16</b>	<b>October 16</b>	<b>December 16</b>
Red	1 red - Ashford Spurs	0 red	2 red (Middle Deal and Sittingbourne)
Amber	9 amber	13 amber	14 amber
Green	14 green	11 green	8 green
	1 removed and 1 complete	1 removed and 1 complete	1 removed and 1 complete
Total	26	26	26

### Methodology

Green (business case approved, funding fully secured and delivery on target).

Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);

Red (funding not yet secured and significant cost or delivery issues).

### Key for Kent spreadsheet: The arrows denote the direction of travel.

↑	denotes significant improvement/progress in scheme delivery
→	denotes a similar position as reported at the last KMEP meeting
↓	denotes scheme delivery experiencing a delay

### Information sources for homes and jobs

LGF 2 schemes

LGF 1 schemes

### Document

South East Local Enterprise Partnership - Kent and Medway Priority Schemes for submission to BIS December 19 2014

DEFINITIVE Kent Allocated Schemes and profiles

### **Notes**

New column to illustrate schemes that have an LGF allocation to be spent in later years (not 2016/17)

Additional Coastal Communities scheme has not been included until a decision has been made by SELEP

**MEDWAY – ITEM 7 – APPENDIX B - PROJECT RAG STATUS**

Scheme	Description	Scheme Delivery By	Budget	LGF Spent to Date			Status	RAG Status	Comments	Key Events for Next Period	Estimated outcomes		
				2015/16 (million)	Profiled to spend in 2016/17 (million)	2016/17 (million) up to mid Nov. 2016					Target Jobs	Target Homes	Other
<b>LGF1</b>													
A289 Four Elms roundabout to Medway Tunnel	Highway capacity improvements to provide journey time savings and reduced congestion.	End of 2018/19	£18.697m (£11.1m LGF, £7.597m match funding*) * see comments	£0.5m	£0.656m	£0.199m	<b>DETAILED DESIGN</b> (Business Case Approved)	→	The planning application was submitted on 7th October and is currently going through the planning process. A consultant has been appointed to deliver the detailed design and work on this will commence in early December. Preparations have commenced in relation to the formal negotiation and CPO process which will be initiated with all 9 land owners following determination of the planning application. * Outline Business Case being refreshed as a result of reduced S106 contributions impacting on stated budget.	It is anticipated that the planning application will be determined in February 2017. Following this the formal negotiation and CPO process will begin with all landowners. Work will continue on the detailed design, alongside a review of estimated construction costs.	7688	4433	
Stroud 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	£12.75m (£9.0m LGF, £3.75m match funding)	£0.2m	£1.310m	£0.366m	<b>DETAILED DESIGN</b> (Business Case Approved)	→	The final outline design, reflecting comments made during the consultation period, has been agreed. Work has commenced on the developed design (RIBA stage 3).	Work will continue on the developed design over the next two months. A stage 1 road safety audit will be carried out before work commences on the technical design (RIBA stage 4).	360-450	600-815	

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	£4.9m (£4.0m LGF, £0.9m match funding)	£0.871m	£0.818m	£0.232m	<b>DETAILED DESIGN</b> (Business Case Approved)	→	The detailed design for the route improvement works is currently being finalised. Facade improvement works on The Brook Theatre have commenced, including stone cleaning, repointing masonry, redecoration of timber windows, guttering repairs, renewing lighting and bird protection netting.	Improvement works will continue on the exterior of The Brook Theatre. The procurement process will begin to appoint a contractor to deliver the route improvement works. It is anticipated that the contractor will be in place by the end of the 2016/17 financial year. Enabling works will begin on site in January 2017.	6271	3682
Medway Cycling Action Plan	A range of measures designed to improve access to cycling in the Medway area and improve upon and expand existing cycle facilities.	1st phase in 2015/16, then annually until end of 2017/18.	£2.9m (£2.5m LGF, £0.4m match funding)	£0.229m	£1.384m	£0.511m	<b>CONSTRUCTION</b> (Business Case Approved)	→	Work on site has continued to deliver the first phase of cycle route improvements, including Gillingham Business Park, Riverside Country Park, Lordswood Lane and Beechings Way phase 2. Design work has continued for routes to be constructed later in 2016/17.	Work will continue on site to deliver the first phase of cycle route improvements. Design work will continue for other routes due for construction in late 2016/17 and 2017/18.	390	261
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 the Medway City Estate.	Early interventions starting in 2015/16 with second part of the project by end of 2018/19.	£2.0m (£2.0m LGF, £0.0m match funding)	£0.1m	£0.300m	£0.150m	<b>CONSTRUCTION - PHASE 1 DEVELOPMENT OF SUSTAINABLE TRANSPORT INTERVENTIONS - PHASE 2</b> (Business Case Approved)	→	Phase 1 works, which focus on improving egress from Medway City Estate are nearing completion. The new traffic signals are now operational, although testing is still underway to identify the most effective timing of the signals to offer the most benefit to users of Medway City Estate whilst causing minimal disruption on the remainder of the road	The optimal timing of the new traffic signals will be identified. This will complete phase 1 of the project, and the impact the works have on the flow of traffic leaving Medway City Estate will be monitored. Phase 2 of the project will focus on improving connectivity for all modes of transport.	390	-

									network.	A scoping study will be commissioned to identify options for improving connectivity.			
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**NON-TRANSPORT**

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 which are required to facilitate the development of the Technology Park.	Phase 1 by the end of 2018/19	£4.4m (£4.4m LGF, £0.0m match funding) - phase 1 only	£0.0m	£0.167m	£0.020m	<b>OUTLINE DESIGN</b> (Business Case approved)		Rochester Airport Ltd (the airport operator) and their consultants have continued to work on the required Environmental Impact Assessment (EIA), which will form part of the planning application. The EIA scoping opinion request has been submitted to Medway Council's planning team for consideration. Rochester Airport Ltd's consultant has indicated that the EIA will be ready for submission in January 2017.	The planning application and associated Environmental Impact Assessment will be submitted to Medway Council for consideration early in the new year. It is anticipated that the planning application will be determined by Medway Council in May 2017. The airport operator will be completing a project review to identify options for quicker project progression.	37	-	
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### Medway schemes

RAG Status	August 16	October 16	December 16
Red	0 red	0 red	0 red
Amber	1 amber	1 amber	1 amber
Green	5 green	5 green	5 green
Total	6	6	6

### Methodology

Green (business case approved, funding fully secured and delivery on target).

Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);

Red (funding not yet secured and significant cost or delivery issues).

### Key for Kent spreadsheet: The arrows denote the direction of travel.

↑	denotes significant improvement/progress in scheme delivery
→	denotes a similar position as reported at the last KMEP meeting
↓	denotes scheme delivery experiencing a delay

## Update on Business Case approvals - Kent

<b>Table 1 - SELEP Accountability Board Approval's 18<sup>th</sup> November 2016</b>			
Scheme	Description	LGF allocation	SELEP Accountability Board Approval
A226 London Road/B255 St Clements Way	Replacing the existing 4 arm standard roundabout with an oversized oval roundabout.	£4.2m	Approval for full £4.2m LGF allocation

<b>Table 2. Decisions to be taken by SELEP Accountability Board on 24<sup>th</sup> February 2017</b>		
Scheme	Description	SELEP ask
Kent Strategic Congestion Management Programme (KSCMP)	Package of congestion management initiatives, to be implemented across the County.	Approval for 2017/18 LGF allocation (£800k)
Dover Western Docks Revival	Improvements to the A20 junction which will facilitate wider regeneration in and around the seafront.	Approval for £5m LGF allocation (2016/17)

## Details of projects highlighted red in the RAG rating

Scheme	Description	Budget	RAG Rating
Middle Deal transport improvements, Dover (3 <sup>rd</sup> party scheme)	New road between Albert Road and Church Lane, Deal. Scheme being prepared and delivered by developer.	£1.55m (£0.8m SLGF, £0.75m match funding)	
<p><u>Progress:</u></p> <ul style="list-style-type: none"> <li>- Works have started on site with £100k of the LGF allocation estimated to be spent prior to January 2018.</li> <li>- A further £120k of design fees will be requested to be transferred from the LGF allocation once the funding agreement is in place.</li> <li>- Initial works detail approved by KCC at site visit.</li> <li>- Section 38 detail with KCC highways for consideration and approval.</li> <li>- Drainage design finalised so that works can progress in Jan 2018 to expected budget expenditure.</li> </ul> <p><u>Issue:</u></p> <ul style="list-style-type: none"> <li>- The signing of S106 and issuing of planning approval.</li> <li>- The approval of S38 detail.</li> <li>- The signing of the funding agreement between KCC and Developer to start to release the LGF funds allocated for 2016/17 (£800k in total).</li> </ul> <p><u>Mitigation:</u></p> <ul style="list-style-type: none"> <li>- S106 to be engrossed w/c 12th December</li> <li>- Planning approval drafted</li> <li>- Contractors have been lined up for next phase of works which will start in Jan 2018.</li> </ul>			

Scheme	Description	Budget	RAG Rating
Sittingbourne Town Centre Regeneration, Swale (3 <sup>rd</sup> Party scheme)	Re-alignment of St. Michaels' Rd and public realm improvements adjacent to rail station.	£4.5m (£2.5m SLGF, £2.2m match funding)	
<p><u>Progress:</u></p> <ul style="list-style-type: none"> <li>- Funding agreement between KCC and 3<sup>rd</sup> Party signed and £590k of works already invoiced to date on Sittingbourne scheme.</li> <li>- A further £1.1m of utilities fees is estimated will be paid by the end of December 2016 (to secure capacities and resource).</li> <li>- S278 works have been broken down into phases.</li> <li>- Detail of phase 1 S278 with KCC highways for approval.</li> <li>- Contractor engaged for phase one works starting the end of January 2017.</li> <li>- Phase one works total £800k.</li> <li>- TROs and Stopping Ups for the entire scheme also with KCC highways for consideration and</li> </ul>			

approval.

- Subject to cabinet approval on 7th December, Swale Borough Council will formally approve the underwriting of £2.2m and will be able to provide KCC with confirmation of this.
- Demolition/ remediation works will also start on the big Box retail site prior to Jan 2017.

Issue:

- S106 is currently being reviewed by KCC and Mid Kent Legal teams.
- No S278s, TROs or Stopping Ups can be formally submitted or approved until there is planning approval.
- Phase one works cannot start without the planning approval and S278.
- Phase one works need to commence by February 2017 to be able to stick to agreed spend profile.

Mitigation:

- Liaison with KCC legal and Swale Borough Council to speed up legal processes
- Developer to demonstrate how and when the overall £4.7m (£2.5m LGF and £2.2m SBC) will be spent to deliver the programme.

## Ashford International Rail Connectivity Project

**Summary:** The Ashford International Rail Connectivity Project is making good progress. Funding was provisionally allocated in the LGF3 award, subject to approval by the SELEP Accountability Board of the full business case in May 2017. The project is scheduled for delivery in Spring 2018.

### Project Funding

Funding
<p><b>GRIP 1 to 3a:</b> £700,000 partner funding – this part of project COMPLETED on time and on budget</p>
<p><b>GRIP 3b to 5:</b> £5,000,000 LGF2 allocation (+ additional drawdown of £627,000 if required) approved by SELEP Accountability Board 16.09.16 – detailed design underway and progressing well</p>
<p><b>GRIP 6 to 8:</b> £4,800,000 LGF3 allocation in Autumn Statement* - subject to approval of full business case by SELEP Accountability Board 26.05.17</p>
<p><b>Total project funding: £10,500,000</b></p>
<ul style="list-style-type: none"> <li><i>This is based on the assumption SELEP will receive at least £45m-55m in its LGF3 award.</i></li> </ul>

### Project Timetable

Key Issue	Lead Partner	Timescale	Previous Traffic Light Status	Current Traffic Light Status
1. Submission of interim Business Case to SELEP Accountability Board	KCC / ABC	Sep 2016		
2. GRIP 6 to 8 funding allocated by SELEP*	KCC / ABC / SELEP	Nov 2016		
3. Submission of full Business Case to SELEP Accountability Board	KCC / ABC	May 2017		
4. Vehicle Change and Route Clearance Process	Eurostar / HS1 / Network Rail	Dec 2017		

5. Project Delivery	Network Rail	Spring 2018		

### Progress and Key Issues: December 2016

The Business Case to release £5.627 million of funding to complete the GRIP stages 3b to 5 or detailed design, was submitted to SELEP in August 2016. This was reviewed by Steer Davies Gleave as SELEP’s independent technical assessor. The business case was approved by the SELEP Accountability Board on 16 September 2016, and the SELEP increased the allocation for stages GRIP 3b to 5 of the project from £5 million to £5.627 million in order for this allocation to cover the full costs of the detailed design stage.

As part of the introduction of the new Eurostar Velaro Class 374 trains into Ashford International Station, Eurostar have started discussions with Network Rail over the delivery of the vehicle change and route clearance processes to ensure compatibility of the new trains with all aspects of the track and station infrastructure on the Ashford Spurs.

Project delivery is scheduled for Spring 2018 and progress to date has been good, although Network Rail has indicated that technical issues may arise as the project is delivered and tested which may have the effect of deferring this date. However, the project board, which comprises representatives of all parties involved, is fully committed to facilitating the delivery of the project on time and on budget.

### Recommendation

The Board is recommended to:

- a) Note the progress in project delivery made to date.
- b) Note the allocation of full project funding provided by the SELEP, subject to acceptance of full business case in May 2017.

### Report Author

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**FOR INFORMATION ONLY PAPERS**  
**KMEP 12<sup>th</sup> December 2016**

The report authors will be in attendance at KMEP – if, after reading the papers, you would wish to raise questions, please do so as part of AOB.

## FOR INFORMATION ITEM A

**Date:** 12 December 2016

**Subject:** Commissioning of the Kent and Medway Growth Hub

**Report author:** Jacqui Ward, Strategic Programme Manager (Business Investment),  
Kent County Council

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**Background:** The Kent and Medway Growth Hub service was launched in December 2015 and delivered by Kent Invicta Chamber of Commerce. The Kent and Medway Growth Hub provided a central point of access and ‘signposting’ to business support services. Since the pilot was launched, the Government has confirmed further funding until March 2018 and a procurement process has been completed in order to commission a provider for a further two year period.

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### 1. Evaluation of the former Growth Hub delivered in Kent and Medway

- 1.1 A consultation event involving the local authorities, businesses and business support providers was held in July 2016 to inform the specification for the Kent and Medway Growth Hub service. A further event for prospective bidders was held in early August 2016. All districts were invited to the events.
- 1.2 Information received from stakeholders and the review of the pilot service was embedded into the specification.

This included the following recommendations from the review of the pilot service.

- Each Growth Hub should develop a partnership engagement plan
- Growth Hub steering groups should be private sector chaired
- Partner organisations should be engaged in the re-tendering of the Growth Hub, with involvement in determining the specification
- Each Growth Hub should be required to prepare a business engagement plan maximising the use of partners’ communications channels, in particular social media
- The Hubs should undertake an assessment of how best to engage with private sector intermediaries (banks, accountants, lawyers, etc.)
- It is important that an impartial referral process can be implemented
- Data sharing issues with the National Business Support Helpline should be investigated as a priority
- Greater guidance on referral protocols should be provided

## **2. The New Kent and Medway Growth Hub Commissioning Process**

2.1 The new Kent and Medway Growth Hub specification was in line with similar services established elsewhere in the country and took into account the recommendations listed above. The procurement took place in August through to September 2016.

2.2 The tender specification for the service was as follows:

- a) An information, navigation and signposting service;
- b) Diagnostic assessment and advice and guidance;
- c) A plan for marketing and business and key partner engagement;
- d) A medium-term sustainability plan; and
- e) Reporting, monitoring and evaluation of delivery.

2.3 The panel for the awarding of the contract consisted of:

- EBS Consulting – Alan Elder
- KCC Manager of Kent and Medway Growth Hub – Jacqui Ward / Mark Reeves
- KCC Procurement Officer – Hayley Barberry
- Chair of KMEP – Geoff Miles

2.4 The contract awarded is for a two year period from November 2016 through to October 2018. The service is funded as part of the 2014 Growth Deal from the South East LEP and from the remaining SEEDA Legacy Fund. The funding available is £235,000 per year.

## **3. Contract Awarded**

3.1 The Contract was awarded to Kent Invicta Chamber of Commerce after completing a competitive tendering exercise.

3.2 A robust monitoring framework has been established to ensure the contract is delivered as per the specification and all activities are listed in Appendix 1.

3.3 It is important to note one of the key activity listed within the contract for the service includes the establishing of a Kent and Medway Growth Hub Steering Group which will consist of the following stakeholders:

- Kent County Council
- All districts
- Membership organisations IOD, FSB and ICEW
- Other interest parties i.e. Start Up Loan Company, Capital Spaces
- Kent based Universities

## **4. Recommendations**

4.1 KMEP Board is recommended to note the procurement process and the awarding of a two year contract to Kent Chamber of Commerce.

## FOR INFORMATION ITEM B

**Date:** 12 December 2016

**Subject:** Housing Update – SELEP Working Group

**By:** Brian Horton, Strategic Housing Advisor, SELEP  
[brian@hortonstrategic.com](mailto:brian@hortonstrategic.com) 07970 141718

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**Summary:** This report provides a short update on activities being undertaken by SELEP on Housing, with a specific focus on housing delivery and activity in Kent and Medway. The report includes information on progress with refreshing membership of the SELEP Housing group, joint working with the Housing and Finance Institute (HFi) on the SELEP sponsored Housing Business Ready Programme and the launch of the HFi Infrastructure Capacities Mapping (ICM) Pilot.

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### 1. Introduction: Housing Delivery

- 1.1 During the year ending 31st March 2016 there were **6,704 dwellings completed** (net) in the twelve local authorities in the KCC area. This is **46% higher** (2,100 dwellings) than the previous year (2014/15) when the number of dwelling completions (net) was 4,604.
- 1.2 There were an additional 550 dwellings (net) in the Medway Unitary Area. Giving a total number of 7,254 (net) additional dwellings in the county for the year.
- 1.3 SELEP also performed strongly, delivering 10,600 completed dwellings in 2015/16, compared to 7,690 in 2014/15 – an increase of 33%.
- 1.4 SELEP outperformed 36 other Local Enterprise Partnerships and the English average increase of 13%.
- 1.5 The SELEP area has seen **housing starts** rise from 6,620 in 2012/13 to 10,410 in 2015/16, a **57% increase**. Over the same period, London starts grew only 19%.
- 1.6 The collective work and focus on housing delivery across the South East has made a demonstrable difference, with Housing completions growing from 7,230 in 2013/14 to 10,600 in 2015/16, a **47% increase in completions**.

## **2. SELEP Housing Group and General Update**

- 2.1 As part of the review of the working arrangements for SELEP, work is progressing on refreshing the membership and remit of the Housing group. Soundings have been taken on establishing a new business led group with a wider remit to cover both Housing and Commercial development. It is proposed that the Chair and Vice-Chair of the group is drawn from the Kent, East Sussex and Essex developers group's, with the lead SELEP Board member for Housing Paul Thomas providing a conduit to the SELEP Board, with an open invitation to the SELEP Chairman and Vice-Chairs of the federated areas to attend at their discretion. The new group will be supported by the SELEP secretariat and the LEPs Strategic Housing Advisor, Brian Horton.
- 2.2 In addition to the 3 Developer groups, the membership of the refreshed Housing group is to be drawn from the excellent existing partnerships across the SELEP area, including the housing and planning officer's groups (KHG, ESHOG, TGSEHG, EHO, EPOA, KPOG, ESPOG).
- 2.3 Representation will also be invited from the Homes and Communities Agency (HCA), National Housing Federation (NHF) and Home Builders Federation (HBF).
- 2.4 The clear objective is to establish a group committed to accelerating the delivery of high quality Housing and Commercial development where it is wanted and needed. A group that represents and can articulate the full spread of ambition and interests, both at a spatial and sectoral level.
- 2.5 SELEP is working with the HFi, Councils, the HCA and developers to promote housing growth, assembling evidence, identifying obstacles, funding and promoting solutions to drive development forward.
- 2.6 The SELEP Strategic Housing Advisor has been co-opted on to the Kent Housing Group Executive Board and is supporting Kent Housing Group in work to refresh the Kent and Medway Housing Strategy, work that will also be used to contribute to the refresh of the South East Strategic Economic Plan (SEP).
- 2.7 SELEP is represented by Paul Thomas and the Strategic Housing Advisor on the Kent Developers Group (KDG). This has included working closely with KDG and KPOG in developing the Kent Planning Protocol and encouraging sharing of this ground breaking work across the SELEP area.
- 2.8 SELEP is also committed to provide support and advocacy on behalf of areas with ambitious growth plans in Kent and Medway including Ashford, Ebbsfleet Garden City and Otterpool Park.

- 2.9 SELEP through the work of the Strategic Housing Advisor is promoting best practice in Kent and Medway, supporting events and meetings to share best practice. This includes Chairing the Kent and Medway Civilian Military Covenant Board/Joint Policy and Planning Board Service Personnel Housing Sub-Group, Chairing the Kent and Medway Sustainable Energy Partnership Project Board, Chairing the Kent Design Awards Judging Panel and working as a Committee Member on Constructing Excellence Kent.
- 2.10 Learning from the excellent partnership working in Kent has also been shared with colleagues in Essex and East Sussex. A specific example of this is work with Nick Fenton to share learning from KDG to assist in establishing Developers Forums in Essex and East Sussex.

## **2 SELEP HFi Housing Business Ready**

- 2.1 There is significant pressure in our area to deliver housing, with pressures from London and locally arising demographic pressures. We recognised the need to act and partnering with the HFi was a bold step.
- 2.2 The delivery of the programme across all three counties of the LEP, helps to support economic growth and competitiveness.
- 2.3 We want to deliver good quality housing which creates communities within which people want to live and which can attract the skilled and experienced employees our businesses need.
- 2.4 A lot of hard work has gone into the first six HBR programmes in our area and credit must go to the Councils involved: **Ashford**, Braintree, Colchester, Eastbourne, **Maidstone** and Thurrock.
- 2.5 We are delighted the partnership with the HFi has proved so successful and we are now working with them and extending the programme to a number of our coastal communities, which represent a different housing and economic challenge: Tendring, Southend, Hastings and **Thanet**.
- 2.6 HFi visited Thanet for an introductory meeting and tour 11 October 2016 hosted by Thanet's Head of Housing, Bob Porter. The main programme is due to be delivered 19 January 2017.
- 2.7 We are proud that SELEP is the **1st LEP nationally** to be awarded the **Housing Business Ready status** by the HFi.
- 2.8 We benefit from highly effective and ambitious District, Unitary and County councils in the SELEP area and we work collaboratively with them and the developers to add value to the excellent work already underway to accelerate the delivery of new housing.
- 2.9 **HFI Chief Executive Natalie Elphicke said:** *"The South-East Local Enterprise Partnership very much deserve to be the first of their kind to be awarded Housing Business Ready*

*status. Their excellent contributions to the Housing Business Ready programme has demonstrated their appetite for working closely with businesses and councils to ensure economic growth and housing stability for their region.”*

- 2.10 Natalie Elphicke contributed to the Kent Property Market Review 2016, commenting: *“The work being done in Kent by councils, businesses and industry partners is translating housing ambition into housing success. The challenge now is to keep the housebuilding momentum going and to accelerate the pace of housing delivery across the county. The HFi in collaboration with the South East LEP has been working closely with Councils and industry partners across Kent this year. Our flagship national Housing Business Ready status was awarded to Ashford and Maidstone Councils and we have been working with the Kent Developers Group, the Kent Housing Group and Kent housebuilders. There has been much to celebrate in housing delivery and housing ambition from councils, housing associations, developers and investors. There have been business challenges which have been raised with the HFi: for example, on the poor performance of some water companies which has slowed down housebuilding and a lack of skills training to support Kent building and construction industries. We have taken forward these business challenges into national discussion. We are making the case for investment in local skills academies and for a better developer-utility relationship to ensure that more homes are built faster. There is huge potential in Kent...”*

### **3 Infrastructure Dependencies & Capacities Mapping (ICM)**

- 3.1 In October HFi launched the Infrastructure Capacities Mapping (ICM) Pilot being delivered in partnership with SELEP.
- 3.2 Infrastructure Capacities Mapping will examine the ways in which different parties and public bodies, local and national, can help to identify, plan, assess and unblock factors in order to facilitate accelerated growth and housing delivery.
- 3.3 This is an opportunity to unlock market potential and accelerate housing delivery to build strong and sustainable communities. The ICM focus is on establishing the cross sector collaboration that lies at the centre of housing success. By working together, we can build the homes we need faster.
- 3.4 The project is focused on increasing practical housing delivery and giving an overview of the SE LEP area as one of considerable housing growth potential. The growth potential is contained in large developments such as Ebbsfleet and the garden settlements as well as varied and substantial SME housebuilding market.
- 3.5 Short and medium term infrastructure planning from one to four years in accelerating and unblocking housing delivery to ensure the area meet our housebuilding ambitions and needs. We have high performing local authorities within the South East LEP area. Kent and Medway display a strong and practical commitment to housing and growth, demonstrated again through this project.

- 3.6 HFi are working with Kent Developers Group, Kent County Council, Developers East Sussex, TGSE Developers Forum and other interested parties to gather evidence of performance and acting in liaison with Government and regulators to ensure utility companies help - not hinder - local growth.

#### **4 Recommendation**

- 4.1 The Board is recommended to:

- c) Note the work underway.

## FOR INFORMATION ITEM C

**Date:** 12 December 2016

**Subject:** South East Creative Economy Network Update – SELEP Working Group

**By:** Working Group co-chairs: Sally Staples (Culture East Sussex) Sarah Dance (Kent Cultural Transformation Board) and Lorna Fox O’Mahony (Essex University).

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**Summary:** This report provides a short update on activities being undertaken by SELEP Working Group, supporting economic growth in the digital, creative and cultural sector.

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### 1. Background and Rationale

1.1 The South East Creative Economy Network (SECEN) works to accelerate growth in the digital, creative and cultural sector. It was established in 2013 to work with the South East Local Enterprise (SELEP) partnership to identify barriers to growth for the Creative Economy in the South East. SECEN works through collaboration with strategically positioned geographic hubs, as well as sharing knowledge and scaling-up network activity to add value on both a local and national scale.

### 2. Role and purpose

2.1 To implement practical and scalable initiatives to overcome barriers to the growth of the Creative Economy in the SELEP area by aligning the efforts of businesses, education providers, strategic organisations and local authorities to ensure that SECEN will lead one of Europe’s most diverse, integrated and productive creative regions

### 3. Composition

3.1 There is no formal membership of the network. Organisations based in the SELEP area are welcome to join at any time and engage with the group within the terms of reference agreed. The network welcomes

- Creative businesses
- Strategic leaders in sector organisations
- Educational institutions
- Local authorities

3.2 SECEN will reach out and work with businesses and specialists when working on specific priorities and projects. This flexible approach to membership recognises that people and organisations have limited time and resources and should be made best use of.

#### **4. Creative Economy**

4.1 The Creative Industries are central to the government's ambition to deliver private sector jobs growth. The growth of the UK's Creative Industries is beginning to create new challenges for the sector. Their significance transcends and goes beyond a purely economic one and the headline economic impacts are large, growing and out-pacing traditional sectors. In 2015 Creative Industries in the UK contributed £84.1bn to the economy, equating to £9.6m per hour, driving productivity, wages and export growth.

4.2 Due to globalisation, the growth of the knowledge economy and technology leading to automation, there continues to be a reduction in available employment. Analysis suggests that creative employment is far less vulnerable to this trend, therefore careers in the creative sector are more likely to enable people to sustain themselves economically over their lifetime. 87% of those employed in Creative Industries are considered at low to no risk of automation, compared to 35% of all occupations, particularly transport, logistics, manufacturing, production and construction.

4.3 SECEN has worked with Shared Intelligence to collate data on the current state of the Creative Industries in the SELEP region. Between 2010 and 2015 local entrepreneurs added 3,500 creative businesses to the business base, growing the sector by 30.5% to reach 15,000 businesses. Between 2009 and 2014 they added just under 9,850 jobs to the labour market (25% employment growth). Both growth rates are more than twice the average for the area's business and employment performance overall. This sector is mainly comprised of micro businesses, with 9.6% of the business base accounting for just 3.3% of jobs; this aligns with the SELEP's focus on entrepreneurialism as a catalyst for employment growth in the future. These distinctive features also create challenges that need to be addressed, including tailored business support and creating appropriate move-on space for those businesses with growth potential, facilities to allow for flexible working and portfolio careers.

Responding to this data SECEN:

- Champions the needs of the self-employed – are we 'freelance friendly'?
- Champions the need for appropriate training for the self-employed/freelancer
- Works to ensure that the right support is in place to enable scaling up including access to finance, supporting a more connected innovation and Research and Development system where freelancers can connect to each other and connect into innovation structures

## SECEN work programmes

- **Sector Specific Business support (led by Thurrock)**

Currently being pursued via the South East Creative, Cultural, and Digital Support ERDF bid (SECCADs): the Shared Intelligence research confirmed that over 90% of people working in creative careers are freelance and that therefore any interventions to grow this sector need to be freelance-friendly. SECEN has applied for ERDF funding to support a Creative Industries support programme aligned with the Growth Hub designed in the light of the Shared Intelligence findings. The total value of the proposed programme is £5.85m. The programme includes developing cultural hubs with coordinators on the ground to support businesses, a grants programme aimed at stimulating cooperation and sharing between businesses and a range of specialist advice services all to be offered via the Growth Hub.

- **Workspace Development (led by East Sussex County Council)**

SECEN are looking at the current provision of work space and are in discussion with Arts Council England about investing in a needs assessment to ensure that fit for purpose workspace is available SELEP-wide to enable scaling up and fostering of creative innovation networks.

- **Talent Accelerator (led by Kent County Council)**

Supporting the overall Skills agenda, SECEN is working with Creative and Cultural Skills (the National Academy for Skills and Training for the UK's Creative and Cultural industries) to develop a work programme to support the talent pipeline for creative industries, addressing the need for a STEAM education (ie reprioritising the need for arts subjects to be encouraged in schools), matching training to skills gaps in the industry and developing clearer training pathways. The programme also aims to highlight existing good practice.

- **Cultural Tourism (led by SECEN)**

Recognising the volume and value of Cultural Tourism in the SELEP region and the potential for growth, and acknowledging the co-dependencies across the tourism and cultural sectors SECEN supports the development of Cultural Tourism initiatives.

SECEN in partnership with Turner Contemporary and Go To Places has submitted a bid to the value of £1.37m Arts Council England/Visit England Cultural Destinations fund for Culture Coasting - a visitor experience driven by world class art. In the digital age, everyone is now a travel agent, using Geocaching - GPS enabled treasure trail technology - this new trail will tempt visitors to explore the South East's internationally acclaimed galleries – discover newly commissioned outstanding art, dramatic seaside galleries, beautiful land and seascapes on the new National Trail and to be welcomed into artists' homes. Building on Culture Kent, the Estuary Festival and the East Sussex Coastal Cultural Trail, Culture Coasting aims to grow the visitor economy by 3% in East Sussex, Kent and the Thames Estuary. Bids for match funding will be submitted by Go To Places to Visit England's Discover England fund. The emphasis of this programme is to develop bookable products for overseas visitors and a bookable platform "Gardens and Gourmets" to support the marketing of these

products. SECEN has asked SELEP to consider a £150k contribution to this project if external funding is secured.

- **Thames Gateway Production Corridor**

SECEN is working with the GLA to support the concept of a Thames Gateway Production Corridor facilitating complementary creative business clusters and facilities to ensure the opportunities for the creative sector are fully developed and contribute to on-going creative business growth.

## **FOR INFORMATION ITEM D**

**Date:** 12 December 2016

**Subject:** Future Meeting Dates for KMEP and SELEP

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### **KMEP Board Meeting Dates**

The future Kent & Medway Economic Partnership meeting dates are:

- Mon 30 January 2017
- Thu 30 March 2017
- Tue 23 May 2017
- Thu 20 July 2017
- Tue 26 September 2017
- Tue 28 November 2017

All meetings will be held at the Village Hotel, Maidstone. The meetings start at 5pm and finish at 7pm.

### **SELEP Strategic Board Meeting Dates**

The future SELEP Strategic Board meeting dates are:

- Friday 3 March 2017
- Friday 9 June 2017
- Friday 22 September 2017
- Friday 15 December 2017

All meetings will be held at the High House Production Park, Purfleet, at 10am.

### **SELEP Accountability Board Meeting Dates**

The future SELEP Accountable Board meeting dates are:

- Friday 20 January 2017
- Friday 24 February 2017
- Friday 31 March 2017
- Friday 26 May 2017
- Friday 8 September 2017
- Friday 17 November 2017

All meetings will be held at the High House Production Park, Purfleet.