

Monday 25 March 2019, 5.00-7.00pm

Village Hotel, Forstal Road, Maidstone, ME14 3AQ

AGENDA

	Approx time	Page
1. Welcome, introductions and apologies for absence	5.00	-
2. Declaration of Interests	5.05	-
3. Minutes of previous meeting, matters arising & action tracker.	5.10	2, 15 & 22
4. Thames Estuary Production Corridor Update <i>Presentation by Sarah Dance providing the latest update on the Corridor and providing details about the recent award of Cultural Development Funding.</i>	5.15	Presentation
5. Kent & Medway Infrastructure Proposition <i>Presentation by David Godfrey</i>	5.35	Presentation
6. Strength in Places Fund <i>Presentation by Professor Mario Caccamo</i>	6.00	Presentation
7. Calverley Square Project <i>Presentation by William Benson/Cllr Tracy Moore</i>	6.10	Presentation
8. Local Growth Funding: Monitoring Report	6.20	25
9. Update on the Housing Infrastructure Fund (HIF) bids	6.40	63
10. AOB <ul style="list-style-type: none"> • Including any update following the SELEP Strategic Board meeting on 22nd March 	6.50	-

For information items:

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| <ul style="list-style-type: none"> A. KMEP and SELEP future meeting dates B. An update on supporting Kent Exporters | <p>Please see
separate
attachment</p> |
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ITEM 3A

Subject: **DRAFT MINUTES** of the Kent & Medway Economic Partnership (KMEP) meeting held at the Village Hotel, Maidstone on **Monday 28 January 2019**.

Attendees:

KMEP Board Members

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

Richard Finn (Richard Finn Ltd)
Peter Fleming (Sevenoaks District Council)
Douglas Horner (Kent Ambassador)
David Jukes (Tunbridge Wells Borough Council)
Jeremy Kite (Dartford Borough Council)
Andrew Metcalf (Maxim PR),
David Monk (Folkestone & Hythe District Council),
Jane Ollis (IOD)
Prof. Rama Thirunamachandran (Canterbury
Christ Church University)
Paul Thomas (Dev. Land Services Ltd)
Paul Winter (Wire Belt Company Limited)

Observers & Presenters in attendance

Allan Baillie (KCC), Chris Brodie (SELEP Chairman), Kevin Burbridge (GBC), Lee Burchill (KCC), Rupert Clubb (TfSE & ESCC), William Cornall (MBC), Barbara Cooper (KCC), John Foster (MBC), David Godfrey (KCC), Graham Hammond (FHDC), Richard Hicks (MC), Dave Hughes (KCC), Jess Jagpal (Medway), Tracey Kerly (ABC), Chris (Highways England), Matthew Norwell (TGKP), Sarah Nurden (KMEP), Michael Payne (KCC), Karla Philips (KCC), Joe Ratcliffe (KCC), David Smith (KCC), Jeremy Whittaker (TMBC), Mike Whiting (KCC), Mark Radford (SBC).
Mark Radford (SBC),

Apologies:

KMEP Board Members

Simon Cook (Canterbury City Council), Nick Fenton (Hodson Developments & Kent Developers' Group), Nicolas Heslop (Tonbridge & Malling Borough Council), Jo James (Kent Invicta Chamber of Commerce), Keith Morris (Dover District Council), Jon Reagan (Hugh Lowe Farms Ltd & Weald Granary Ltd), David Turner (Gravesham Borough Council)

Item 1 – Welcome, introduction and apologies.

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

Item 2 – Declarations of interest

- 2.1 No declarations of interests were received.

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

- 3.1 The minutes of the meeting on 26 November 2018 were accepted as an accurate record of the discussion.
- 3.2 Paul Carter received clarification that the board minutes from 24th September referenced KMEP's decision to prioritise existing LGF schemes seeking a change in scope ahead of new funding requests, as part of the LGf3b process.

Item 4 – LEP Review & Annual Performance Review

- 4.1 The KMEP Chairman welcomed Chris Brodie (SELEP Chairman) to the meeting.
- 4.2 Chris Brodie gave a presentation about the LEP Review and Annual Performance Review. Comments he made included:
 - The Government wants to distribute the UK Shared Prosperity Funding through LEPs, and has undertaken a review to ensure LEP governance is fit-for-purpose. The consultation about the UK shared Prosperity Fund is due to be issued once the Parliamentary Brexit votes have concluded.
 - The Government's LEP review follows scrutiny by the Daily Mail and in-depth questioning by the Parliamentary Public Accounts Committee into the governance of GCGP LEP.
 - All LEPs were asked to submit geography proposals in September 2018, and a governance implementation plan in October 18.
 - Chris Brodie has met with the Secretary of State (Rt Hon Greg Clark MP) and Minister for Local Growth (Jake Berry MP) to discuss SELEP's implementation plan.
 - The Government has said SELEP's implementation plan is compliant in all respects apart from two: 1) The board member size should be limited to 20 people, with the ability to co-opt 5 more people for one year based on specialisms; and 2) Private sector representatives should make up at least two-thirds of the board.
 - SELEP is one of four LEPs that are not yet compliant. The remaining thirty-four are.
 - LEPs will not receive funding until they have become compliant. The Government Ministers feel the time to discuss geography has passed.
 - SELEP is unique in terms of its size, and the Government has now recognised the federated board structure.
 - The Government wants the SELEP Chairman to write to them to confirm that SELEP will comply with the board structure requirements.

- Chris Brodie suggested that SELEP's articles of association could include District Council Leaders as Special Delegates, who would then be invited to attend the board meetings, entitled to participate in the debate, but not vote.

4.3 The Chairman thanked Chris Brodie for his presentation, and invited questions and comments from the KMEP board members. These included:

- Questions exploring the Government's rationale in capping LEP board size at 20 members, when this will severely limit council leaders participating. The answer that Chris Brodie received from Ministers is that all modern governance suggests smaller boards operate more effectively.
- A question was asked about the repercussions for SELEP if no governance deal was agreed with the Government. It was felt that the Government would not allow one of the largest LEPs to fail. However, the Government had explained to Chris Brodie that no funding will be available for SELEP until it complies.
- Local authority members provided the historical context for the inception of SELEP:
 - the current geography was devised by and strongly championed by the Government, and local stakeholders were told that if they became one of the largest LEPs in the country, then they would receive additional freedoms and flexibilities; this did not happen. The LEP Review now directs how LEPs will be run.
- The universal board size being applied to all LEPs means disproportionate representation in the various geographies across the UK.
- All local authority leaders were very disenchanted that the democratic mandate was being diminished and several district leaders, including Peter Fleming, Andrew Bowles and David Jukes, strongly voiced their concern against accepting the conditions of the LEP Review.
- Board Members felt that it was unfortunate that the issues of geography and board membership had been decoupled, and that LEP geography had to be agreed first. If KMEP board members had known that there would be no flexibility in board member representation at the outset, they may have chosen a more localised geography, and followed the recommendation of the Thames Estuary Commission to split SELEP.
- Chris Brodie said the Government has confirmed that the four federated boards in SELEP can continue to operate as they currently do. Chris Brodie confirmed that the LEP Review rules regarding board size and private-public representation do not need to be applied to the federated boards.
- The Government also confirmed to Chris Brodie that the membership of the SELEP Accountability Board and the SELEP Investment Panel can be retained and no changes are required to their operation.
- Rodney Chambers, supported by his fellow board members, put to Chris Brodie that if the agreement is to retain SELEP then there must be a re-evaluation of the activities undertaken at the SELEP and federated board level, and some decision-making ability must be passed down from the LEP to the federated boards. Chris Brodie agreed, and said that the function of the SELEP board is to receive the decisions of the federated board, and to look at the few pan-LEP matters, such as rural, creative and coastal issues.
- Andrew Bowles asked the KMEP business members for their views as at previous KMEP meetings they had expressed reservations about them taking decisions on

the spending of public money without having any democratic accountability. Geoff Miles said that the business members have always agreed that the final funding decisions must be made at the Accountability Board, whose voting members are solely local authority leaders.

- Gerry Clarkson, like his colleagues was disappointed by the limited democratic representation. However, he was reassured by the comments that Chris Brodie had made that little would change in the way the LEP performs. He, like others, wishes to focus on the major infrastructure opportunities and challenges on the horizon, and feels that the governance issues ought to be resolved swiftly to ensure local growth funding is received from the Government.
- Jeremy Kite spoke positively about the responsiveness of SELEP to date. He had spoken to his legal counsel that had explained there could be a change in the legal responsibility placed on private sector LEP members, as local authorities can now hold these business leaders accountable/liable for their decisions affecting the boroughs/districts. In light of this, Jeremy Kite said that KMEP needs to amend its constitution to outline the delegated powers that business leaders would have, and the repercussions if a business leader were not to act in accordance with KMEP's mandate. He proposed that a KMEP business leader should be immediately removed from KMEP and SELEP if they had not followed the decisions agreed locally at KMEP.
- Jeremy Kite felt that the way KMEP operates will have to change whereby KMEP meetings will need to occur a week before the SELEP Strategic Board meetings, so that KMEP can pre-examine the decisions that SELEP will make, so delegates are informed of the local KMEP position. It is regrettable that this will limit the time for KMEP to discuss other topics.
- Douglas Horner spoke positively about Chris Brodie's suggestion to have special delegates at SELEP. Douglas Horner was a member of several boards which had adopted a similar approach successfully.
- Douglas Horner shared his perspective as a business leader. He felt the underlying matter of importance is to foster trust. SELEP, unlike its predecessor SEEDA, is not a government agency but a partnership. For a partnership to work there must be trust. Douglas Horner did not think that businesses seek dominance over councils, rather businesses are reliant on the councils for support. Businesses wish to work together in the KMEP and SELEP partnership to get the best deal for local residents and businesses. However, businesses would welcome a steer from councils about whether they feel they can trust SELEP to operate in a manner that will serve their constituents appropriately.
- Paul Barrett echoed Douglas Horner's comments, reiterating that he did not seek the additional responsibilities which the government had set. It was vitally important that councils are at the table when decisions are made. Being pragmatic, it sounds like a system can be created to ensure that business members reflect the view of KMEP, so he is minded to vote in favour of retaining SELEP.
- Chris Brodie confirmed that the Higher Education representative is viewed as a private sector partner.
- Chris Brodie said that the SELEP board members from the private sector would be selected by the federated boards. Geoff Miles said the onus is on the federated

boards to ensure that the KMEP members that sit on the various SELEP boards represent the views of KMEP and are clear about their mandate.

- Peter Fleming strongly emphasised his concern that business members appointed to the LEP board will have to act by law in the interest of that company, and cannot be directed by another body to vote in a particular way. He did not believe that delegation could operate when the LEP becomes a company limited by guarantee, and the business members become Directors of the LEP.
- In response to these comments, Chris Brodie said directors must act on behalf of the company, but also act on behalf of the people that appointed them. If a director no longer acts on behalf of the people that appointed them, then it results in termination. Peter Fleming said that this would only work with shareholders, and KMEP are not shareholders in the SELEP structure. Chris Brodie said this is yet to be determined. Peter Fleming felt unwilling to vote in favour until this issue had been resolved.
- Jeremy Kite agreed that a Director is only accountable to the stakeholders or to the company. However, a solution can be found whereby a business member is removed from the KMEP board, and de facto from the SELEP board, if they do not support the KMEP mandate. All support would be removed from the business member.
- Paul Carter explained his belief that the Company Limited by Guarantee will be responsible for the pay and terms of the LEP staff, but that the Accountable Body will still remain Essex County Council. Paul Carter felt that there was a need to be pragmatic and redesign how the governance of SELEP works with the federated bodies.
- Geoff Miles made a personal statement that he will always stand by the mandate of KMEP.
- In response to Simon Cook's question, Chris Brodie confirmed that SELEP's Strategic Board currently has 28 members. Moving to 20 members would result in a reduction of four local authority leaders.
- The council leaders indicated their views, and then a vote of the whole KMEP board was taken.
- The question posed to the board was: Do you agree that the SELEP Chairman should write to the Government to confirm SELEP will comply with the board structure requirements (i.e. 20 board members, 5 co-opted, and 2/3 private sector representation)? This would be subject to delegation being incorporated into the KMEP and SELEP constitutions.
- 20 KMEP board members voted in favour, 0 KMEP board members abstained, and 4 KMEP board members voted against.
- Andrew Bowles sought confirmation that SELEP's Strategic Board meetings are open to the public and members of the press to attend. Chris Brodie confirmed this is the case, and all meetings are recorded with the audio available on the SELEP website.

Item 5 – Transport for the South East (TfSE)

5.1 The KMEP Chairman welcomed Rupert Clubb (Lead Officer for TfSE, and a Director at East Sussex County Council) to the meeting.

5.2 Rupert Clubb gave a presentation about Transport for the South East (TfSE), which is the local Sub-National Transport Body (STB). Comments he made included:

- The Government has been clear that regional rebalancing is an important aspect of their agenda.
- The South East has the highest GVA outside of London however, the per capita investment in major infrastructure in the South East lags behind other regions, such as the Northern Powerhouse and the Midlands.
- The South East needs to act with one voice to maintain our strategic position as the Gateway for the country (as evidenced by the high volumes of goods travelling through the Ports of Dover and Southampton, etc).
- The Cities and Devolution Act 2016 set out the role of the Sub-National Transport Bodies (STBs), which is to facilitate economic growth. The Secretary of State for Transport must have regard to the STBs.
- Membership of TfSE includes 16 local highway authorities, 5 LEPs, 2 National Park Authorities, and 44 Boroughs and Districts.
- The South East LEP has a seat on the Transport Forum for TfSE. Michael Payne, KCC's Deputy Cabinet Member for Planning, Highways, Transport and Waste, has a seat on TfSE.
- TfSE is recognised by DfT and has been granted £1m to develop strategy. It also receives subscriptions from constituent authorities.
- The current chairman of TfSE is Keith Glazier (who is the Leader of East Sussex County Council).
- TfSE has a small staff of 7.5FTE.
- TfSE's geography spans from Hampshire and Berkshire in the west, to Kent and Medway in the east.
- TfSE is working with Highways England on a collaborative approach to developing Road Investment Strategies.
- TfSE is seeking statutory recognition, to be able to have greater influence over the Secretary of State's plans for aviation, maritime, road and rail. Having this recognition will support TfSE to develop a Regional Transport Strategy with statutory force. TfSE is currently informally consulting local stakeholders on their views.
- TfSE is aiming to submit its proposal to become statutory to the Government in Autumn 2019. (Its draft proposal will be formally consulted on between May and July 2019).

5.3 The Chairman thanked Rupert Clubb for his presentation, and invited questions and comments from the KMEP board members. These included:

- Douglas Horner encouraged TfSE to fundamentally reappraise the South East's transport infrastructure for next 50 years.
- He gave a list of examples of current infrastructure that is at capacity (e.g. Heathrow) and infrastructure that has taken decades from its inception to build/completion, e.g.:
 - The M25 was mooted in 1960s, construction started in the 1970s, and completed in 1986, but within 20 years it was overwhelmed.

- The Dartford Crossing was mooted in the 1930s; the Western Tunnel was built in 1963 and then overwhelmed; the Eastern Tunnel was built in the 1980s but then overwhelmed; the QEII Bridge was built in 1991 but then overwhelmed; and now the Lower Thames Crossing is proposed but is still nearly a decade away.
- The M25, M20 and M2 are currently overwhelmed.
- He mentioned that the Commons' Select Committee has stated the M20 smart motorway is a flawed plan to add capacity.
- Between 2017 and 2037, Kent is asked to accommodate an additional 224,000 homes on top of the existing 788,000 houses (which is a 28% increase), with a pattern of development built around car dependency.
- Kent is the gateway to the UK, with increasing volumes of freight travelling through the Port of Dover.
- Nationally, traffic growth on the secondary road network is outstripping the growth on the motorway network by a third. Despite this, 18% of the secondary network across the UK is structurally unsound.
- Road growth is lagging behind traffic growth by 13:100.
- In addition, there are the issues of public transport, rail, sea and air.
- Douglas Horner concluded by asking TfSE to please take an active role in securing the bold and transformative infrastructure that is needed, both for now but also for the future.
- Rupert Clubb commented that the Transport Strategy will run to 2050.
- Gerry Clarkson echoed Douglas Horner's call for TfSE to be bold and visionary across a longer timeframe. High Speed 1 rail is already reaching capacity. Large transformative programmes of works must be considered now.

Item 6 – Skills Presentation

- 6.1 The KMEP Chairman invited Paul Winter (Chairman of the Skills Commission) and Simon Cook (Principal of Mid-Kent College) to give their presentations to KMEP.
- 6.2 Comments made during Paul Winter's presentation included:
- Paul Winter referred to the growing skills gap. 86% of businesses have found it difficult to recruit candidates with right skillset in Q4 of 2018. This is up from 70% in Q1 of 2008.
 - Professional/managerial staff, and skilled manual/technical staff are the hardest to find, with 50% of businesses report a shortage in those categories.
 - Part of the Government's response to improve skills was to establish the Careers & Enterprise Company (CEC) in 2015. The CEC's role is help link schools and colleges to employers, in order to increase employer engagement for young people.
 - The structure of the CEC is as follows:
 - CEC co-fund Enterprise Coordinators. These are trained professionals who work with clusters of 20 **schools and colleges** to build careers plans and make connections to local and national **employers**.
 - Each Enterprise Coordinator supports a group of senior business leaders, who have volunteered to act as an Enterprise Advisers.

- The Enterprise Coordinator ideally wishes to allocate 1 or 2 Enterprise Advisers to each secondary school or college in their network.
- These business leaders, that have volunteered to be an **Enterprise Adviser**, use their knowledge of the local business landscape to support the headteacher or careers team at their school to develop an effective careers plan and to create opportunities with their business contacts in the area for their school or college's students.
- There have been two Enterprise Co-ordinators in Kent for a while, but the CEC has agreed to co-fund a further 4 Enterprise Co-ordinators that are being recruited currently.
- The key to making the system work in Kent, however is to find a further 60+ business leaders that will volunteer to be an Enterprise Adviser. Paul Winter asked any KMEP member interested in becoming an Enterprise Adviser to let him know, and to advertise the opportunity around their business networks.
- Given the changes at the CEC, the KMEP guilds are currently reflecting on their role and operation, and wish to come to a future KMEP board meeting with their proposal for the way forward. They would also like to propose to KMEP whether KMEP and the Guilds should be writing collectively to Government to ask for unspent apprenticeship levy to remain in the local area.

6.3 Comments made during Simon Cook's presentation included:

- There has been much transformation in the FE sector over recent years, and now there are four college groups operating across twelve physical college sites in Kent and Medway (with a few further land-based sites). These four college groups are: North Kent College, Hadlow Group, Mid-Kent College, and East Kent College.
- The four colleges now come together to sit around the table and agree as a collective what they will do to transform the skills landscape. Their first joint strategic goal is "to ensure Kent FE is cohesively advocated and at the forefront of the post-16 education & skills strategy, development and delivery in Kent, the SE Region and nationally for post-16 learners."
- Simon Cook shared some data to provide helpful context. There are:
 1. 600 schools in Kent and Medway, 120 secondary schools, 4 FE colleges and 4 Universities.
 2. Approximately 72,000 16-18 year olds in Kent and Medway.
 3. 60,000 adults studying (excluding Higher Education)
 4. 1,500 adults studying Higher Education in FE.
- Furthermore 19,000 of adults are apprentices; 10% of 16-18 year olds are apprentices; and 75% of 16-18 year olds are in full-time education.
- 57% of the 16-18 years olds that are in full-time education study at a school sixth form. Of these people, 80% will be studying A-level equivalent.
- 38% of the 16-18 years olds that are in full-time education study at a FE college. Of these people, over 50% are studying at level 2 or below (i.e. at GCSE level). Most young people at colleges are focussed at technical skills.
- The colleges have identified two key challenges:
 1. The value that individual place in education versus skills. Often people allow their own background to influence how much merit they place on academic education versus learning skills.

2. Helping young people with careers guidance and explaining which pathway they should take to achieve their career ambitions. It is extremely difficult for careers advisers to keep up-to-date with the various options, given the face pace of change.
 - An opportunity in Kent and Medway is working with employers and the councils' economic regeneration teams to collectively promote the options available.
 - Another opportunity is commissioning the training of adults on roles of economic need. It will not be possible to fill the skills gap by focussing solely on 16-18year olds.
 - A further opportunity is to look at how we can collectively commission apprenticeships locally, and simplify the market. There are many private providers from elsewhere in the UK who are not vested in the local results.

6.4 The Chairman thanked them for their presentations, and invited questions and comments from the KMEP board members. These included:

- Jane Ollis explained that on the television that evening is a programme called “We are the NHS”. This is a campaign, filmed in East Kent, that focuses on recruiting people into non-medical roles in the NHS. The NHS is a large employer, actively seeking to attract people to work for it. She offered to support any of the four college principals to make connections with the appropriate NHS individuals.
- Paul Carter said do nothing is not an option. Improving Careers, Advice and Guidance must be a priority, as there are too many students receiving poor advice about potential career options and pathways. A particular concern is how students are treated when they do not achieve the necessary grades in English and Maths at GCSE level; anecdotes suggest a notable amount of these students leave school disillusioned at 16 years.
- Another priority must be to understand the impact of T-levels on the options available.
- Paul Carter suggested that skills sits more naturally in Economic Development.
- Richard Finn spoke about the productivity levels in Kent. He felt that Kent and Medway have a strategic issue if only 33% of 16 to 64 year olds have a level 4 qualification or above. He proposed that the historic approach of seeking recruits with traditional skills no longer suffices. Employers require recruits who are agile and are able to adapt. Technology constantly transforms the job landscape, and people often have 5 to 6 difference careers in their lifetime. He urged KMEP to consider how students can be encouraged to have leadership and management skills.
- Miranda Chapman spoke about the work she is doing with Brockhill Academy, who are working on the curriculum, and offered to tell the presenters more about this outside of the meeting.
- Simon Cook said that there is a list of guides for businesses about how they can help support the skills agenda. Simon Cook promised to circulate that information via email.

Item 7 – Network Update by Highways England & Operation Brock

7.1 The KMEP Chairman welcomed Chris Welby-Everard and John Kerner of Highways England to the meeting.

7.2 Comments made included:

- Chris Welby-Everard introduced himself. He works on major capital projects in the region (excluding the Lower Thames Crossing).
- John Kerner introduced himself and explained that he is Highway England’s Special Projects Director for the Regional Investment Programme; he is leading the implementation of Operation Brock.
- Chris Welby-Everard explained that the Kent Corridor was a priority in RIS 1 (Road Investment Strategy One).
- RIS 1 targeted specific hotspots and took a broader view across the wider corridors (for example, looking at the roll out of smart motorways).
- RIS 2 will differ to RIS 1, as it will look much further ahead to the future.
- The brochure “Connecting the Country” was circulated (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/666876/Connecting_the_country_Planning_for_the_long_term.pdf)
- Chris Welby-Everard gave an overview of the projects that are underway across Kent; these include:
 - Converting M20 J2-5 into a Smart Motorway: The works in the motorway verge are scheduled to take place between July 2018 to Mar 2019; the works in the central reserve will take place between March 2019 and December 2019. The full scheme is due to be completed in March 2020.
 - M20 J10a Junction Improvement: The works started in January 2018. There is a current road closure for bridge replacement in 2019. The end of the works are planned for Summer 2020.
 - Operation Brock: This affects Junction 8 (Maidstone) and Junction 9 (Ashford). Operation Brock will be ready to use in March 2019, and is the planned traffic management system in the event of a no-deal Brexit.
 - M2 and A2 Operations: There are various works underway on slip roads at each junction. These works are ongoing until March 2019.
- He then moved onto outline the road investment priorities for the near future:
 - A2 Bean and Ebbsfleet Junction Improvements: This scheme is progressing through the planning process. More information available at: <https://highwaysengland.co.uk/projects/a2-bean-and-ebbsfleet-junction-improvements/>
 - M2 Junction 5: The work is due to start in 2020 with the scheme opening to traffic in 2021. More information available at: <https://highwaysengland.co.uk/projects/m2-junction-5-improvements/>
 - Lower Thames Crossing: The Development Consent Order will be applied for in 2019, with construction due to begin in 2021/22. More information available at: <https://highwaysengland.co.uk/lower-thames-crossing-home/>
 - Managing freight traffic in Kent: A consultation was undertaken in 2019 to consider the options. More information is available at:

<https://highwaysengland.co.uk/projects/solutions-to-operation-stack-managing-freight-traffic-in-kent/>

- Chris Welby-Everard described the recent changes that had been made at Highways England, which is now highly regulated. Highways England also now produce Route Strategies that take a much more holistic approach to planning.
- John Kerner explained that Operation Brock was directed by the DfT to avoid the need for Operation Stack. It provides the Kent Resilience Forum with an option, rather than having to close the motorway.
- Highways England have completed any construction work that was required on the M20 and the M26 in advance of Operation Brock being utilised. The Highways England workforce and equipment (including the barrier) are on standby, ready to be deployed as necessary. It is the Department of Transport that will direct Highways England to deploy Operation Brock.

7.3 The Chairman thanked Highways England for his presentation, and invited questions and comments from the KMEP board members. These included:

- Peter Fleming asked if Kent Police could overrule the use of the M26 for Operation Brock. John Kerner confirmed that Kent Police is the Gold Commander, so can overrule. He agreed that the M26 is the last section of the Operation Brock plan that would be brought into use.
- Douglas Horner asked how many days it would take to deploy the Operation Brock barrier once notified by the DfT. John Kerner said there is a works package, which is not just the barrier, but also includes some re-markings and some crossovers to implement the contraflow. Highways England are scheduling four weeks to implement this works package (this includes some contingency built in for unforeseen issues like bad weather).
- Geoff Miles asked if the barrier was therefore an active, moveable barrier or static. John Kerner said, for the M20 element, once the barrier is deployed, it has an active and inactive state. The inactive state allows the coastbound carriageway to run in the same way it is running currently. The London bound carriageway would have a steel barrier between lanes 1 and 2, and would allow traffic to run either side of it. When Operation Brock is activated, that is when the contraflow system would come into play, which would give Highways England a controlled zone for lorry traffic going to Eurotunnel and the Port of Dover on the coastbound carriageway. Then, on the London-bound carriageway, there would be a dual carriageway flow of vehicles going in either direction, and maintaining access to all junctions.
- John Kerner confirmed that it would be a few hours to implement this, as Highways England would have to unshroud signs and move crossover barriers. Geoff Miles advocated for considering electronic signs in future to reduce the time lag from Operation Brock being activated, and then implemented.
- Barbara Cooper spoke of the totally integrated plan that involves multi-agency partners (such as Highways England, Kent County Council, and the Police). She spoke about the trigger points when traffic volumes exceed set levels, which results in the next stage of the plan being implemented.
- Miranda Chapman spoke as an employer that lived in East Kent, but travels daily to Mid-Kent where her firm is based. She asked about the modelling scenarios that Highways England have used, and how much disruption she should expect after

March. Highways England said different multi-agency partners had different models, but the only time that Highways England would expect to enact Operation Brock is if there is a backlog of vehicles wanting to cross the channel, and the Police did not feel it was safe to maintain the queues on the network.

- Barbara Cooper said that, due to need to plan proactively, Kent County Council is working on a scenario that assumes 12 weeks of disruption. This may not be eventual outcome (it could be longer or shorter, as this is an unprecedented situation), but allows planning to occur.
- Paul Carter commented that this system is not only required because of Brexit, but to prevent the situation of 2015 when Operation Stack had to be deployed for 31 days, and caused significant costs and inconvenience to a large part of the UK economy, and to local residents. Also, once Kent is holding 11,500 to 12,000 lorries, then lorries will be stopped from entering Kent.
- Michael Payne said the main difference between Operation Brock and Operation Stack is one is a planned response, and one is reactive.
- Paul Barrett asked about enforcement; last time when Operation Stack was in force, HGVs chose to use the secondary road network inappropriately. Barbara Cooper said Kent County Council will use temporary traffic orders to put weight restrictions of 7.5 tonnes on many of the roads, but the Council is reliant on the police to enforce the rules from day one to ensure compliance. The Police are receiving extra resources to support this.
- Kent County Council is also considering with its partners how they can support local suppliers, so they do not get placed at the back of the queue.

Item 8 – Forthcoming decisions on Local Growth Funding to be taken by SELEP

8.1 The KMEP Chairman invited Lee Burchill to give their presentation to KMEP. Comments made included:

- The SELEP Strategic Board made two key decisions in December 2018. Firstly, the LGF funding allocation will be withdrawn from any project that has not been granted full business case approval by the Accountability Board by 12th April 2019. Secondly, any LGF projects that are rated red must come forward with a positive delivery programme by June 2019 that outlines that the LGF can be spent by March 2021.
- The SELEP Investment Panel will meet on 8 March 2019 to prioritise the LGF3b projects.
- Fort Halsted project is still a key scheme, but will not be able to bring forward a full business case by 12th April due to government slippages in vacating the site. This means it cannot spend the LGF and be delivered by March 2021.

8.2 Gerry Clarkson spoke about the A28 Chart Road LGF Programme, and that he would be speaking to Government colleagues shortly to try and resolve the issues affecting the project. It is a vitally important scheme for Ashford.

8.3 The Chairman asked the KMEP Board Members to note that the Fort Halstead scheme will not come forward within the timescales of the Growth Deal, and thus to agree to propose to the SELEP Accountability Board that the project be removed from the Kent and Medway LGF programme. This approval was granted by the Board.

Item 9 – AOB

- 9.1 Sarah Nurden (KMEP Strategic Programme Manager) notified Board Members that the National Infrastructure Commission Chairman and a fellow Commissioner wish to visit Kent and Medway on 19 March to discuss infrastructure priorities. The Board agreed to host a visit.
- 9.2 The Chairman congratulated Paul Barrett on being awarded a MBE in the 2019 New Year Honours List for services to fundraising and the community in Canterbury, Kent.

ITEM 3A

Subject: **DRAFT MINUTES** of the Kent & Medway Economic Partnership (KMEP) meeting held at the Village Hotel, Maidstone on [Wednesday 27 February 2019](#).

Attendees:

KMEP Board Members

Geoff Miles (Chair | The Maidstone Studios)
Graham Galphin (Ashford Borough Council),
Bob Bayford (Thanet District Council)
Andrew Bowles (Swale Borough Council)
Paul Carter (Kent County Council)
Rodney Chambers (Medway Council)
Miranda Chapman (Pillory Barn Design Ltd)
Gavin Cleary (Locate in Kent)
Richard Finn (Richard Finn Ltd)

Douglas Horner (Kent Ambassador)
Andrew Metcalf (Maxim PR),
David Monk (Folkestone & Hythe District Council),
Jon Regan (Hugh Lowe Farms Ltd & Weald Granary Ltd)
Howard Rogers (Tonbridge & Malling Borough Council)
Prof. Rama Thirunamachandran (Canterbury Christ Church University)
Paul Thomas (Dev. Land Services Ltd)

Observers & Presenters in attendance

Lee Burchill (KCC), David Candlin (TWBC), Barbara Cooper (KCC), John Foster (MBC), Graham Hammond (FHDC), Sarah Nurden (KMEP), Andrew Osborne (ABC), Joe Ratcliffe (KCC), David Smith (KCC), Jeremy Whittaker (TMBC), Mike Whiting (KCC), Emma Wiggins (SBC).

Apologies:

KMEP Board Members

Gerry Clarkson (Ashford Borough Council), James Beatton (Cripps LLP), Simon Cook (Canterbury City Council), Simon Cook (Mid Kent College), Martin Cox (Maidstone Borough Council), Sarah Dance (Sarah Dance Associates), Nick Fenton (Hodson Developments & Kent Developers' Group), Peter Fleming (Sevenoaks District Council), Nicolas Heslop (Tonbridge & Malling Borough Council), Jo James (Kent Invicta Chamber of Commerce), David Jukes (Tonbridge Wells Borough Council), Jeremy Kite (Dartford Borough Council), Keith Morris (Dover District Council), Jane Ollis (IOD), David Turner (Gravesham Borough Council), & Paul Winter (Wire Belt Company Limited).

Item 1 – Welcome, introduction and apologies.

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

Item 2 – Declarations of interest

- 2.1 Andrew Metcalf declared an interest; He represents East Malling Research that has submitted the NIAB EMR bid for LGF3b funding.
- 2.2 Prof. Rama Thirunamachandran declared an interest; Canterbury Christ Church University has submitted the Kent and Medway Medical School bid, in partnership with the University of Kent.
- 2.3 Miranda Chapman declared an interest. She provides website support services to KMEP and SELEP.

Item 3 – Matters arising

- 3.3 Geoff Miles (the KMEP Chairman) referred to the electronic procedure that was instigated on Friday 1st February 2019, asking the 28 SELEP Strategic Board members to vote on the two points below (responding with yes, no, or abstain):
- The Board is asked to vote on whether the SELEP Strategic Board should consist of no more than 20 full members with 5 co-opted members, with this change implemented prior to March 2020; and
 - The Board is asked to vote on whether the SELEP Strategic Board should consist of 2/3rd private sector membership.
- 3.4 The outcome of this SELEP vote was that 22 voted in favour, 4 voted against and 2 abstained.
- 3.5 Paul Carter requested clarification. KMEP had a good debate on 28th January, and agreed to support this stance, however, it was conditional on:
- (a) SELEP continues to operate a federated model;
 - (b) that the SELEP board members from the private sector will continue to be selected by the federated boards;
 - (c) that the LEP Review rules regarding board size and private-public representation do not need to be applied to the federated boards;
 - (d) that the membership of the SELEP Accountability Board and the SELEP Investment Panel can be retained and no changes are required to their operation,
 - (e) that delegation provisions would be added to KMEP's terms of reference, and
 - (f) KMEP meetings would meet in advance of SELEP Strategic Board meetings, so that KMEP can pre-examine the decisions that SELEP will make, so delegates are informed of the local KMEP position.
- Paul Carter wished to know if this information had been communicated to SELEP. Barbara Cooper and Sarah Nurden confirmed that the minutes had been sent to SELEP confirming this position of KMEP, and the conditions had been specified in the voting response of KCC.

Item 4 – LGF3b Process

- 4.1 The KMEP Chairman introduced the item. LGF3b is a process to identify a pipeline of projects in priority order, for when capital funding next becomes available from SELEP.
- 4.2 The Chairman reminded KMEP that, when the board met on 24th September 2018, *“KMEP had agreed the principle that Local Growth Fund (LGF) existing schemes seeking a change in scope are prioritised ahead of new funding requests, in order to safeguard the investment made to date and to prevent abortive costs.”* This KMEP board decision means Thanet Parkway, Innovation Park Medway, and Sturry Link Road are at the top of the KMEP priority order.
- 4.3 The LGF3b report suggested a priority order for the other Kent and Medway schemes. The Chairman stressed the paper contained suggestions to stimulate debate and discussion, and the order was not set in stone.
- 4.4 Lee Burchill (KCC LGF Programme Manager) then gave a verbal presentation. He explained:
- LGF3b is a three-stage process, which is currently at stage 2. Stage 1 was the federated boards sifting the expression of interest; stage 2 is the SELEP Investment Panel agreeing a prioritised list of schemes; stage 3 will be the project promoters taking their business case to the SELEP Accountability Board for approval.
 - The SELEP Investment Panel will be held on Friday 8th March 2019.
 - The Independent Technical Evaluators (Steer) has produced an advisory prioritised list for the SELEP Investment Panel to consider; however, the Investment Panel Members will make the final decision.
 - To date, SELEP has made a total of £15.447m available for reallocation to projects through the LGF3B process.
 - This figure may rise as the SELEP Accountability Board makes further decisions on whether to approval the business cases presented to it.
 - The SELEP Accountability Board has given part-approval to some existing LGF schemes, and those schemes need to go back to SELEP by 7th June to show that they have an achievable delivery programme.
 - The KMEP LGF3b paper sets out a suggested priority order of Kent and Medway schemes to stimulate debate.
 - On 24th September 2018, KMEP made the decision that existing schemes seeking a change in scope are prioritised ahead of new funding requests.
 - At the SELEP Accountability Board on 15th February, there was a decision that some key strategic existing projects may retain their LGF, even though part of their LGF allocation will be spent past 2021. Iain McNab (from the Ministry of Housing, Communities and Local Government) had clarified to the SELEP Accountability Board that the Government would support this stance for strategic projects of importance.
 - As part of the Independent Technical Evaluator (ITE) review, all schemes were asked if their requested sum could be reduced, and the project still provide the

benefits. Kent County Council had consequently reduced their ask for Thanet Parkway to £4.5m (as shown in the paper). A revised ITE prioritised list was shown on the screen reflecting this change.

- 4.5 Sarah Nurden commented that the ITE figures shown for the Thameside Fire Training Ground were incorrect: Their LGF3b ask is £400k and their match funding is £100k. The ITE had been notified.
- 4.6 The Chairman thanked Lee Burchill for his presentation. He emphasised that the ITE list is advisory, and it is for SELEP Investment Panel to make the final decision using advice from the federated board.
- 4.7 The Chairman read out verbatim the written statements from William Benson (in support of Calverley Square bid), Tom Tugendhat MP (in support of NIAB EMR), from Peter Fleming (in support of the West Kent schemes and commenting on the lack of LGF investment in West Kent), Kevin Burbidge (in support of Thames Fire Training Ground), Jo James in support of NIAB EMR bid and IceLab bid), and Nicolas Heslop (in support of NIAB EMR). These comments are appended to these minutes.
- 4.5 The Chairman invited questions and comments from the KMEP board members. These included:
- Paul Carter commented that the ITE advisory list appears skewed towards small workspace and skills projects, and is subjective. Federated boards should prioritise local schemes in future funding calls, and then the SELEP Investment Panel can take each areas' priorities and form one list for SELEP.
 - Paul Carter spoke in favour of Thanet Parkway. He had had a recent meeting with Quantity Surveyors that have helped reduce the gap funding. Kent County Council has agreed to underwrite the 30% contingency, as they do not believe this sum will be required by Network Rail.
 - Rodney Chambers said it would have been useful for all project promoters to have been given the opportunity to reduce their ask, prior to the KMEP paper being distributed.
 - Paul Carter suggested that the SELEP Investment Panel may wish to over-profile and select projects up to the value of £20m.
 - Andrew Bowles spoke in favour of NIAB EMR. The agricultural and food production sector has historically received little financial support from SELEP, despite being one of the largest sectors in the local economy. NIAB EMR produces ground-breaking research that supports not only the local economy, but also international markets. He then spoke in favour of the M2 Junction 5 bid. It is 98% match-funded, and it would be foolish to not provide the small sum needed in order to access these funds.
 - Bob Bayford spoke in favour of Thanet Parkway. He believes it has the potential to be the most transformational project on the list, and its benefits will stretch beyond Thanet to Dover and Canterbury districts. It will allow individuals to access London in under an hour. This will help attract high-skilled workers to Thanet. It will help the number of business parks (including Discovery Park) that are in the area, all of

which aspire to grow. There is a DCO process going through currently for Manston Airport; if it is agreed, then the station will be conveniently situated to transport the passengers. Thanet District Council believes that Thanet Parkway will be the impetus to accelerate the Thanet Local Plan, and the housing delivery that the area needs.

- Prof. Rama Thirunamachandran said Kent is the largest county in England without a medical school. The two universities worked together to submit a bid. The Government agreed to allocate student numbers, but do not provide any capital funding, hence the reason for the LGF3b bid. The first revenue funding will not be received until September 2020, when the first students start the course. The universities have put in a significant sum of money between them to fund most of the scheme. The Medical School received letters of support from all the fourteen local authorities, the seventeen local MPs, and senior figures in the NHS. This project is one of the few proposed that will deliver benefits across the breadth of Kent and Medway. The medical students will work and be placed in acute care, primary care, and community care and mental health sectors right across Kent and Medway, working with all the GP practices and the hospitals. One month ago, the number of patients per GP practice was published. Swale had the most patients per GP in England, and Thanet was fifth from the bottom. If Kent and Medway have a healthier population, then they will be more economically productive.
- Howard Rodgers spoke in favour of the NIAB EMR bid. He struggled to understand why the ITE had ranked NIAB EMR bid's value for money as amber, given this institution is known around the world for its first-class research. He felt the ITE list favoured small skills projects and industrial unit projects, but appears to have devalued larger strategic schemes and all the Research & Development Schemes. It appears the evaluation is not fit for purpose in this regard – perhaps as the R&D benefits are shared across multiple organisations. The project has planning permission, so is 'shovel-ready', and highly deliverable. Driscolls, a significant private-sector partner of NIAB EMR, has indicated that this investment will significantly strengthen the case for their continued investment.
- Graham Galphin said that Ashford Borough Council's Coachworks Project was a very good shovel-ready project that will produce jobs. It will have an impact on the local area, but may not have as wide-reaching benefits as some of the other schemes being supported. He said the position of the scheme could go below others receiving much support, like NIAB EMR.
- Gavin Clearly said part of the role of Locate in Kent is identifying the sectors where Kent and Medway have a stronger offer than the national benchmark. Two of those priority sectors are the food and drink sector, and healthcare and life-sciences sector. East Malling Research is already a nationally and internationally recognised centre of excellence. There are 300 world-class researchers based at East Malling. This is a growth opportunity, looking at sustainability and food security. The centre helps us market Kent and Medway to inward investors. Gavin Clearly then spoke in favour of the Kent and Medway Medical School. Kent and Medway are very good at primary research in healthcare and life science (using facilities such as the Kent Science Park and Discovery Park). However, Kent and Medway lack access to the local population to test some of the research coming out at a primary level. Having connections to the local GP practices and health facilities through the Medical School will help remove this barrier.

- In response to David Monk's question over the final value of the funding available, Lee Burchill gave the example of the A28 Chart Road project. If the developer is not able to come back with a bond, there is a potential for a further £6m to return to the funding pot. This is just one example.
- Jon Regan spoke in favour of NIAB EMR. He gave an example of how NIAB EMR has identified an insect that is threatening grape production, and how this research is being shared with local companies to ensure the continuity of the wine industry. He also questioned the ITE ranking scale of impact as green, and value for money as amber.
- Paul Thomas asked which RAG rating showed how the secure the match funding is. Lee Burchill confirmed that this element is contained in the 'local match' RAG rating, rather than the 'Deliverability' RAG-rating.
- Douglas Horner spoke in favour of Thanet Parkway, the Innovation Park Medway, and Sturry Link Road. He then focussed on his strong support for the Kent and Medway Medical School, Thameside Fire Training Ground and NIAB EMR bids, because these schemes will help grow the intellectual capital of Kent and Medway. He welcomed these being in the priority order of KMEP.
- David Monk suggested to KMEP that NIAB EMR moved from position 10 to position 6 of the KMEP priority order, and all other schemes are moved down one place.
- Miranda Chapman echoed the support for NIAB EMR and for the Kent and Medway Medical School. The NHS next 70-year plan focuses on prevention rather than cure, and GPs will be needed to turn this vision into reality. Her third preference was for the Coachworks project in Ashford. This will grow employment in the creative sector in return for a very small sum of LGF3b. There is a trend that people in the digital, communications and marketing sector are moving to become freelancers, and they need a workspace to work from.
- Richard Finn felt that the process that the ITE had undertaken was not transparent. As a business man he wants to support projects that will promote the most economic growth over the longer-term. He echoed the calls for any future funding calls to be conducted in a different manner.
- Andrew Metcalf supported having a consistent evaluation approach across SELEP. He then asked for confirmation that the existing LGF schemes are deliverable. Geoff Miles replied that the information he has been given from partners suggests they are. Andrew Metcalf concluded by speaking in favour of M2 Junction 5 given its high match-funding percentage.
- Paul Carter echoed the point that Bob Bayford made about how Thanet Parkway can unlock and accelerate the housing delivery in Thanet.
- Paul Carter made a proposition for the board to consider: Thanet Parkway reduces its ask to £4m; he asked Rodney Chambers if the Innovation Park Medway could reduce its ask to £2m or perhaps less; Either Sturry Link Road or the M2 Junction 5 could be placed in position 3; he asked Prof. Rama Thirunamachandran if the Kent and Medway Medical School ask could decrease to £1m. This would hopefully allow £1m to be allocated to NIAB EMR and £0.4m to Thameside.
- Andrew Metcalf asked for reassurance from project promoters that they could reduce their sums.

- Rodney Chambers and Prof. Rama Thirunamachandran said they would have to take the suggestion away for consideration. Sarah Nurden said she would contact Professor Mario Caccamo to ask about the NIAB EMR bid.
- Prof. Rama Thirunamachandran said if the bid were lowered, they would need the remaining sum to remain on the lists of requests. They will not be able to take on 200 medical students with only part of the funding.
- In response, Paul Carter said any scheme that does not get selected for funding in this round, would stay at the top for when future funding becomes available.
- Jon Regan expressed his strong reservations about reducing the ask of the NIAB EMR bid.

4.6 Setting aside the sums which would have to be finalised outside of the meeting, the Chairman took a vote on the priority order of the schemes. KMEP agreed the following order, which David Monk and Andrew Bowles had suggested:

- Thanet Parkway
- Innovation Park Medway
- Sturry Link Road **OR** M2 Junction 5
- Kent and Medway Medical School
- NIAB EMR
- Thameside Fire Training
- The Coachworks
- Romney Marsh Employment Hub
- Sevenoaks Business Hub.

The vote was unanimous in favour of this order.

ITEM 3B

Date: 25 March 2019

Subject: Action Tracker and Progress Update

The table below provides a brief update on matters previously discussed by the Board, central government policy and consultation announcements, and give notices about forthcoming events.

Topic	Update
SELEP Investment Panel & LGF3b	<p>The SELEP Investment Panel met on 8th March 2019. After significant discussion, they decided to allocate up to circa £15.448m to projects.</p> <p>The projects within the funding bracket are:</p> <ul style="list-style-type: none"> ○ Bexhill Enterprise Park North - £1.94m ○ Digital Technology Campus - £2.15m ○ Colchester Institute - £0.1m ○ Skills for Rural Businesses Post-Brexit - £2.918m ○ USP College - £0.9m ○ Thanet Parkway - £4m ○ Flightpath Phase 2 - £1.4215m ○ Sidney Little Road - £0.5m ○ The Panel agreed to fund the Innovation Park Medway to the value of £1.5m but this was conditional on the SELEP Accountability discussing the project at their next meeting, and being satisfied with the project’s deliverability. <p>A further SELEP Investment Panel will be called for June 2019.</p>
SELEP Strategic Board on 22 nd March 2019	<p>The SELEP Strategic Board is due to have met on 22nd March 2019. The agenda items are:</p> <ul style="list-style-type: none"> ● LEP Review Implementation ● Assurance Framework 2019 ● Sector Support Fund ● Digital Skills Partnership ● Local Growth Fund Capital Programme Update ● Local Industrial Strategy Presentation ● Lower Thames Crossing – Skills Strategy ● Harlow and Gilston Garden Town

	<ul style="list-style-type: none"> Thames Estuary Production Corridor
SELEP AGM	The SELEP Annual General Meeting will be held on Wednesday 17 th July 2019. It is open to us all to attend.
SELEP's Economic Strategy Statement – Smarter, Faster, Together	SELEP conducted a soft digital launch of the Economic Strategy Statement for next week w/c 11 th March 2019 to last for two weeks.
SELEP Tri-LEP Energy Strategy	SELEP has arranged the launch of its Tri-LEP Energy Strategy for Monday 25 th March 2019 from 13:00 – 16:00 at The Crystal, One Siemens Brothers Way, Royal Victoria Docks, London E16 1GB.
National Infrastructure Commission Visit	<p>Sir John Armitt and Bridget Rosewell of the National Infrastructure Commission met with the KMEP Board on 19 March 2019 to discuss the National Infrastructure Assessment.</p> <p>Sir John advised that a new National Infrastructure Strategy is expected to be published by the Government alongside this year's Autumn Statement.</p>
Recent Government Announcements that could be of interest:	<p>Review announced in government's 'Future of mobility: urban strategy' to explore regulation around new transport modes.(19/3/19) https://www.gov.uk/government/news/transport-laws-to-be-reviewed-to-improve-everyday-journeys</p> <p>£30m Homes England loan brings more new homes to Basildon (18/3/19) https://www.gov.uk/government/news/30m-homes-england-loan-brings-more-new-homes-to-basildon</p> <p>Councils across England will receive an immediate cash boost from a £9.75 million fund to back their efforts in cleaning up high streets and town centres.(16/3/19) https://www.gov.uk/government/news/975-million-to-clean-our-high-streets</p> <p>Government has published a new International Education Strategy outlining plans to increase student numbers and income generated from international education (16/3/19) https://www.gov.uk/government/news/plans-to-boost-international-student-numbers-and-income</p> <p>Universities asked to do more to support care leavers (14/3/19) https://www.gov.uk/government/news/universities-asked-to-do-more-to-support-care-leavers</p> <p>Brokenshire announces £570 million to deliver London housing near transport links (14/3/19) https://www.gov.uk/government/news/brokenshire-announces-570-million-to-deliver-london-housing-near-transport-links</p> <p>Temporary tariff regime for no deal Brexit published (13/3/19) https://www.gov.uk/government/news/temporary-tariff-regime-for-no-deal-brexit-published</p> <p>News statistics reveal that UK goods exports grew at the second fastest rate of the top five major economies between 2017 and 2018.(12/3/19) https://www.gov.uk/government/news/uk-exports-grow-faster-than-top-competitors</p> <p>An interactive tool to help match builders to plots of land which are ready for home-</p>

	<p>building has been launched today, to help get properties completed more quickly. (12/3/19) https://www.gov.uk/government/news/digital-tool-to-help-deliver-thousands-of-homes</p> <p>Reforms proposed to put consumers at the heart of UK competition regime (25/2/19) https://www.gov.uk/government/news/reforms-proposed-to-put-consumers-at-the-heart-of-uk-competition-regime</p> <p>Pride of Kent report published (21/2/19) https://www.gov.uk/government/news/pride-of-kent-report-published</p> <p>Government sets out plans to overhaul waste system (18/2/19) https://www.gov.uk/government/news/government-sets-out-plans-to-overhaul-waste-system</p> <p>Brokenshire champions parks with over £13 million new funding (17/2/19) https://www.gov.uk/government/news/brokenshire-champions-parks-with-over-13-million-new-funding</p> <p>Government has set out its new strategic priorities for telecoms regulator Ofcom to support improved mobile coverage, broadband investment, and a better deal for consumers. (15/2/19) https://www.gov.uk/government/news/mobile-and-broadband-boost-for-uk-consumers</p> <p>£250 million of housing deals struck to deliver tens of thousands of homes (14/2/19) https://www.gov.uk/government/news/250-million-of-housing-deals-struck-to-deliver-tens-of-thousands-of-homes</p> <p>Highways England has launched two competitions to encourage the UK's most creative minds to come up with innovative ideas to revolutionise roads and driving. (8/2/19) https://www.gov.uk/government/news/highways-england-launches-20m-competitions-to-revolutionise-roads</p> <p>£48 million funding to drive down bus emissions across the UK (6/2/19) https://www.gov.uk/government/news/48-million-funding-to-drive-down-bus-emissions-across-the-uk</p> <p>No deal Brexit advice: guidance on food and drink labelling (5/2/19) https://www.gov.uk/government/news/no-deal-brexit-advice-guidance-on-food-and-drink-labelling</p>
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ITEM 8

Date: 25 March 2019

Subject: Local Growth Fund Rounds 1, 2 and 3: Delivery Progress Report

Report authors: Lee Burchill, LGF Programme Manager, Kent County Council
Jessica Jagpal, LGF Programme Co-Ordinator, Medway Council

Summary

This report provides an update on the progress in delivering Kent and Medway's Local Growth Fund (LGF) programme, including those schemes that were allocated funding as part of the most recent round of Growth Deal funding (Round 3).

The Board is recommended to:

1. Note the update on LGF project scheme delivery
 2. Note those Kent and Medway schemes that are scheduled for a funding decision by the SELEP Accountability Board, following business case submission.
-

1. Introduction

- 1.1 £187 million has been allocated from the Local Growth Fund (LGF) round 1, 2 and 3 to capital projects – primarily transport schemes - in Kent and Medway.

2 Kent and Medway's forecast LGF spend in 2018/19

- 2.1 The spend forecast for 2018/19, as reported and agreed by the South East LEP (SELEP) Accountability Board in March 2018, has been set at £24.867m for Kent and £16.755m for Medway. This is the benchmark for which delivery and spend will be monitored against for the 2018/19 financial year and which will be adjusted based on reporting to the quarterly SELEP Programme Consideration meetings.

3 Spend Profile for 2018/19

- 3.1 The current KCC LGF Forecast spend for 2018/19 = £15.296m (based on update provided for April 2019 SELEP Accountability Board meeting).
 - 2018/19 Q1 Actual Spend = £2.057m
 - 2018/19 Q2 Actual Spend = £2.924m

- 2018/19 Q3 Predicted Spend = £4.330m
 - 2018/19 Q4 Predicted Spend = £5.985m
- 3.2 Current Medway LGF Forecast spend for 2018/19 = £5.939m (based on update provided for April 2019 SELEP Accountability Board meeting).
- 2018/19 Q1 Actual Spend = £0.452m
 - 2018/19 Q2 Actual Spend = £1.410m
 - 2018/19 Q3 Actual Spend = £2.281m
 - 2018/19 Q4 Predicted Spend = £1.796m

4 Business case development

- 4.1 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) and approval by SELEP Accountability Board.
- 4.2 Across Kent and Medway, approval of a business case is required for a number of schemes programmed to spend LGF allocation in 2018/19. Appendix A presents the likely forward plan of business case submissions and approval by the SELEP Accountability Board.
- 4.3 SELEP introduced a deadline of 16th November 2018 for those LGF projects where there is an indicative LGF allocation to a project, but a business case has not yet come forward for funding award and there is a risk to the spend of the LGF allocation within the Growth Deal period (to 31st March 2021).
- 4.4 The following Kent and Medway projects were subject to this deadline and therefore required a business case to be submitted before 16th November 2018, to allow a decision at the SELEP Accountability Board before 12th April 2019:
- **A2 Off-Slip at Wincheap (£4.4m) - Business Case Submitted** - A business case has been submitted to SELEP and will therefore be reviewed by the ITE in line with a funding decision by the Accountability Board on 12th April 2019. SELEP had previously received a letter from Ian Parsons (Highways England) which confirmed that the Growth and Housing Fund (GHF) bid was not successful, however, further correspondence from Highways England has indicated that alternative funding may be available from Homes England. This alternative funding will be investigated by SELEP and KCC to assess whether it is required or feasible to use it as a replacement to the LGF contribution.
 - **Thanet Parkway (£10m) - Business Case Submitted** - A full business case was submitted to SELEP and has been reviewed by the ITE for a funding decision on 12th April 2019 by the Accountability Board. The additional LGF3B allocation of

£4m was approved by the SELEP Investment Panel on the 8th March 2019 and will now come forward alongside the original £10m allocation decision on 12th April 2019.

4.5 It should be noted that previous business case submissions have been put forward to SELEP for the following schemes (or for elements of the following projects). However, either a change of scope is required, or work is ongoing to demonstrate to SELEP how the remaining allocations will come forward for approval:

- Maidstone Integrated Transport Package Phase 3 (£4.9m)
- Medway City Estate Connectivity Improvement Measures (£2m)
- A289 Four Elms roundabout to Medway Tunnel (£11.1m)

4.6 The following programmes of smaller schemes have received annual approval since 2015/16. Therefore, a further business case submission for both programmes will come forward in 2018/19 or 2019/20 to unlock the remaining allocations up to the end of March 2021:

- Kent Sustainable Interventions Programme (£1m)
- Kent Strategic Congestion Management Programme (£1.6m)

5 Scheme delivery

5.1 A Red, Amber, Green (RAG) spreadsheet (shown in Appendix C and D) provides an overview of progress in delivering all the LGF capital projects in Kent and Medway.

For the **KCC programme**:

- 12 are Green (business case approved, funding fully secured and delivery on target).
- 10 are Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);
- 3 are Red (funding not yet secured and significant cost or delivery issues).
- 7 are completed
- 2 have been removed

For the **Medway programme**:

- 4 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)
- 3 is Red (funding not yet secured and significant cost or delivery issues).

6 Recommendations

6.1 The Board is recommended to:

- Note the update on LGF project scheme delivery

- Note those Kent and Medway schemes that are scheduled for a funding decision by the SELEP Accountability Board, following business case submission.

7 Appendices:

Appendix A: Business Case Update from last SELEP Accountability Board (February 2019)

Appendix B: Forward Plan of Business Case submissions

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

Appendix D: RAG spreadsheet (Kent County Council schemes)

Appendix E: RAG spreadsheet (Medway Council schemes)

Business Case Update from last SELEP Accountability Board meeting on 15th February 2019 – Appendix A

Outline business case submission dates	SELEP Accountability Board meeting date	Scheme	Description	Decision
16 th November 2018	15th February 2019	Innovation Park Medway (northern site) – Enabling Infrastructure (formerly Rochester Airport – phase 2)	Delivery of Infrastructure works to enable the development of Innovation Park Medway	<p>To Approve the award of £3.7m LGF allocation to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high Value for Money with medium certainty of achieving this, subject to evidence relating to the Rochester Airport Phase 1 project being received that: 1. the determination of the planning application for the control tower and hub building has not been subject to a successful judicial review application; 2. a construction contractor has been appointed, within the available budget, and a signed legal contract is in place between Medway Council and the construction contractor. If confirmation is not provided by the 1st April 2019 that the two funding conditions set out above have been satisfied, it is expected that the funding decision will be revisited by the Board at its next meeting on the 12th April 2019.</p>

SELEP Accountability Board Forward Plan – Appendix B

Outline business case submission dates	SELEP Accountability Board meeting date	Scheme	Description	SELEP ask
1 st February 2019	12 th April 2019	Maidstone Integrated Transport (Phase 3)	Package of transport improvements in Maidstone	Approval for further funding from the £8.9m LGF allocation
		Thanet Parkway	New Railway Station	Approval for £14m LGF allocation (including additional £4m under LGF3B)
		A2 Off-Slip at Wincheap	Scheme to deliver an off-slip in the coastbound direction of the A2, in conjunction with the Western Link and Gyratory to improve accessibility to Canterbury Town Centre, retail + residential area.	Approval for £4.4m LGF allocation
		Kent Strategic Congestion Management Programme (19/20 and 20/21)	Programme to identify and deliver congestion improvement schemes on the road network in Kent.	Approval for further funding from the £4.8m LGF allocation
		Kent Sustainable Interventions Programme (19/20 and 20/21)	Programme of smaller sustainable transport intervention schemes to compliment larger Local Growth Fund schemes.	Approval for further funding from the £3m LGF allocation
29 th March 2019	7 th June 2019	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	A revised Business Case is required by SELEP on alternative options which have not been agreed by the Board.
5 th July 2019	13 th September 2019	A289 Four Elms roundabout to Medway Tunnel	Highway capacity improvements to provide journey time savings and reduced congestion.	Approval for the remaining £7.6m LGF allocation
6 th September 2019	15 th November 2019	No schemes approvals currently planned for this meeting		

Details of projects highlighted red in the RAG rating - Appendix C

Scheme	Description	Budget	Rag Rating
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.	£2.094m (inc £2m LGF)	

Progress:

- Phase 1 works are complete, with indications of the anticipated improvement in journey times for vehicles leaving the Medway City Estate being realised.
- A consultation exercise has been undertaken with business owners and employees on the Medway City Estate, to garner wide-ranging views with regard to the modal shift which underpins Phase 2 proposals.
- Options for Phase 2 are currently being considered for the revised Business Case exercising a change of scope.

Issue:

- Consultation outcomes indicate low levels of support for the river taxi that was proposed in the Business Case as the primary measure for encouraging modal shift. Low levels of support were seen for other improvements to promote sustainable modes of travel, however, it is considered that the level of support offered is insufficient for the project to fully deliver the modal shift outcomes specified in the Business Case.
- Due to the Red RAG rating from SELEP around deliverability of the project, expectations are that a business case will be submitted for approval at the 7th June Accountability Board meeting.
- Modelling received to date and indicative costs suggest that scheme content may be over budget. Officers are awaiting revised modelling and full costs.

Mitigation:

- Officers are considering a range of interventions to form Phase 2 of the project which better reflect the expectations of businesses and users of the Medway City Estate.
- Officers have had informal discussions with SELEP this week around the submission date for the Medway City Estate revised Business Case. Options are being considered as to whether the revised Business Case will be submitted for approval at the June Accountability Board meeting or submitted in July for approval at the September Accountability Board meeting. If the Business Case is to be submitted for approval in September, SELEP officers have given the option for Medway to potentially provide an update report around progress of the Medway City Estate project, for the June Accountability Board, instead of the Business Case.
- If the Business Case is submitted in July for September Accountability Board approval, a one-year extension to the project may be formally requested; this would still be within the growth deal period.
- Due to indicative costs being over budget, officers are assessing whether the Strood Town Centre project has available budget to transfer up to 10% of the Medway City Estate budget, as per the Assurance Framework. This has been informally raised with SELEP officers this week, who confirmed that this change could be included within the revised Business Case. An update of scheme proposals included in the revised Business Case will be reported to KMEP ahead of the June Accountability Board meeting.

Scheme	Description	Budget	RAG Rating
A28 Sturry Road Integrated Transport Package, Canterbury	Extension of in-bound bus lane.	0.7m (£0.3m LGF, £0.4m match funding)	

Progress:

- No progress as project currently on hold.

Issue:

- The Joint Transportation Board supported the recommendation to progress with a revised scheme in December 2017.
- Planning for the revised scheme identified that several utility company services would need to be diverted, which would add to the complexity of the scheme and the potential programme duration.
- The significant concerns with the duration and consequences of using the diversion route were raised on a number of occasions by local politicians, local action groups and some residents. This led to the recommendation to delay the start of construction until further investigations took place to assess if there were any suitable alternatives.
- The design and construction team met at the start of April 2018 and suggested that keeping 2-way operation would be possible but that this would add significant additional cost and duration to the project.
- The potential alternative was estimated at £1,350,000 with an estimated works duration of 28 weeks. These figures, whilst robust, were still an estimate as no detailed planning was undertaken given there was no additional funding identified to make up the shortfall.
- The increase in costs for the final agreed scheme would also dilute the benefits and reduce the overall BCR that was approved by the SELEP Accountability Board.

Mitigation:

- The scheme is on hold and further work and liaison with Canterbury CC is to be carried out to establish whether the existing S106 funding could be diverted to an alternative Bus Lane scheme at Kingsmead in Canterbury.
- The existing LGF allocation will need to be returned to SELEP and re-allocated as part of the LGF3B process.

Scheme	Description	Budget	RAG Rating
Thanet Parkway	New railway station to the west of the Cliffsend village, Thanet	£24.2m to £27.5m (£14m LGF, £7.457m KCC, £2m TDC, £0.7m EKSDC)	

Progress:

- Ground Investigation survey results have now been submitted to Network Rail for review. The Implementation Agreement for GRIP 5-8 is currently being drafted to avoid delays once Grip stage 4 is finalised. The planning documentation is also being drawn together from all parties. Land negotiations are progressing well with comments from the landowner currently being addressed and access issues being progressed by KCC Highways. Network Rail are also currently carrying out surveys to understand the level crossing usage at both Sevenscore and Cliffsend.

Issue:

- The project has had previous funding issues and a revised working estimate will not be confirmed until the end of Grip stage 4 which is due for completion in June 2019.
- The project is not yet able to draw down from the LGF allocation until it receives approval from the SELEP Accountability Board on 12th April 2019.
- Alongside the £14m LGF allocation, there is an existing Kent County Council (KCC) capital contribution of £2.65m and an additional £4.807m identified in the 2019/20 KCC Budget.

Mitigation:

- KCC has explored several options to fund the remaining cost of the project, which included investment from the new operator of the South Eastern Rail Franchise and/or the private sector.
- Further work has also been carried out to establish whether investment in the car park at the new station (with its income servicing a loan) would be viable. The use of developer contributions was also considered, although the uncertainty surrounding the Thanet Local Plan and the former Manston Airport site mean that confirmation of any significant contributions would be beyond the timescales required by SELEP to achieve business case sign off.
- KCC has therefore scrutinised the costings for the scheme to reduce the potential overall cost of delivering the project. To meet this revised estimate, KCC put forward the project forward for a further £4m allocation under LGF3B recognising that the Project is a priority not only for KCC but is shown in the Strategic Economic Plan (SEP) as a priority in the area to support investment and remove congestion from the roads.

Scheme	Description	Budget	RAG Rating
A28 Chart Road	Carriageway dualling, junction improvements & NR bridge widening.	£32.77m (£10.2m LGF, £22.57m S106)	

Progress:

- Following the SELEP Accountability Board meeting on 15th February 2019 and further correspondence between SELEP and the Developer, the latter has stated that they have signed heads of terms with a funder and will be able to provide details in time for the April Accountability Board.
- KCC have requested that the Developer provide exact details about their proposed bond/funding arrangements to make sure that it is acceptable to enable the project to proceed.
- Outstanding design work and preparation of contract documents is ongoing and Invicta Law are continuing to progress the required land deals for the scheme.

Issue:

- The agreed funding arrangement with the Chilmington Green developer is that KCC forward fund their contribution to the project which is paid back over a ten-year period. To safeguard KCC of any risk of non-payment and to recover interest charges, the agreement included a provision for the developer to provide a security bond prior to awarding the construction contract.
- The 6-week security bond notice was issued to Hodson on 14 December 2017, requiring the bond to be provided by 26 January 2018. Although a bond hadn't been provided, positive discussions were ongoing with Hodson, Ashford Borough Council and Homes England at the time leading to a decision to start the vegetation clearance works on 15th February 2018. This was required at the time to keep the project on programme and complete the clearance works before the start of the bird nesting season. When it was clear there were issues with the provision of the bond the vegetation clearance was suspended and finally stopped when the decision was made to defer the scheme from 2018.
- KCC is unable to progress the project and award the construction contract until sufficient financial assurance is provided. There is also a risk that if the scheme is not taken forward that the costs to date will be abortive and therefore become a revenue cost that cannot be claimed from the SELEP allocation. This will also add to the wider programme LGF underspend in later financial years.

Mitigation:

- Following an update report being presented at the Accountability Board meeting on 16th November 2018 and further discussions and correspondence with both Homes England, BEIS and the Developer. SELEP will look to take an update paper to the next SELEP Accountability Board meeting on 12th April 2019.

Scheme	Description	Budget	RAG Rating
A289 Four Elms Roundabout to Medway Tunnel	Journey time and network improvements.	£11.564m (£11.1m LGF, £0.464m Private Sector)	

Progress:

- Work on the RIBA stage 3 design is now complete and work has commenced on the RIBA stage 4 design. RIBA stage 4 detailed design is expected to be complete June 2019, with accompanying costings.
- Utility diversions have been identified and pricing of works are being finalised with providers.
- All other works are pending confirmation on the outcome of Medway Council's HIF bid.
- SELEP have submitted a letter to Government to extend the project beyond the growth deal period, in line with Medway Council's HIF bid. A response for which is still outstanding. The February Accountability Board opted to retain LGF allocations against projects beyond the growth deal period, subject to conditions being satisfied.

Issue:

- The A289 Four Elms Roundabout to Medway Tunnel project has been identified by SELEP as having a high spend risk, due to the request for an extension to the project beyond the growth deal period.
- Medway Council have submitted a HIF bid which, if successful, will provide the infrastructure required to support the emerging Local Plan. Proposals which form part of the HIF bid will interact with the LGF works and as a result discussions are ongoing to identify how best to optimise the benefits offered by both projects. Medway Council await a response to SELEP's letter to government requesting a two-year extension to the LGF project, to best optimise the potential HIF opportunity.

Mitigation:

- It has been informally raised with SELEP officers, that if Medway Council are successful with the HIF bid, the Council intends to formally request a two-year extension to the project, beyond the Growth Deal period. If the HIF bid is unsuccessful, a one-year extension to the project will be formally requested.
- An outcome on the HIF bid is expected from Government in May. Medway Officers will meet with SELEP Officers in June once a decision from Government is known.

Appendix D – Kent Schemes

Scheme	Description (Delivered by KCC unless stated)	Schem e delive ry by	Budget	LGF Spend (millions) (to 2 decimal places)	Status	RAG Status	Comments	Key Events for Next Period	Target outcome
Local Growth Fund Round 1 Schemes									
A28 Chart Road, Ashford	Carriageway dualling, junction improvements & NR bridge widening.	19/20 (on hold)	£32.77m Made up of: £10.2m LGF £22.57m match	15/16 LGF spend = £0.89 16/17 LGF spend = £0.98 17/18 LGF spend = £0.89 Profiled to spend in 2018/19 = £2.28 (Scheme Delay) 18/19 LGF spend (up to end of February 2019) = Scheme currently on hold	DETAILED DESIGN (Business Case Approved)	→	Following the SELEP Accountability Board meeting on 15 th February 2019, SELEP have given Hodson until April Accountability Board to provide the required bond/funding that is acceptable to KCC to enable the project to proceed in 2019. KCC have requested that Hodson provide exact details about their proposed bond/funding arrangements.	Awaiting confirmation from SELEP on how they wish to proceed and in parallel seeking details from Hodson about the funding/bond provisions.	Jobs = 250 Homes = 600
Sturry Link Road, Canterbury	New link road connecting A28 Sturry Road to A291 Sturry Hill - requires a crossing of both railway & river. Start of works planned for Spring 2019.	20/21	£29.60m Made up of: £5.90m LGF £23.70m match	15/16 LGF spend = £0 16/17 LGF spend = £0.40 17/18 LGF spend = £0.39 Profiled to spend in 2018/19 = £1.0 18/19 LGF spend (up to end of February 2019) £0.255	DETAILED DESIGN (Business Case Approved)	→	Outline business case for the LGF3b bid completed and submitted with supplementary supporting documentation. EIA and planning documents being finalised with a view to submitting the application in March. The S106 terms are required to be agreed, however, further conversations with the developers are required to establish preferred options. The tender selection process has commenced and KCC is currently identifying the internal procurement requirements.	Complete EIA and planning application documentation. Progress Tenderer selection process.	Jobs = 250 Homes = 720

A28 Sturry Road Integrated Transport Package, Canterbury	Extension of in-bound bus lane.	18/19 (on hold)	£0.7m Made up of: £0.3m LGF £0.4m match	15/16 LGF spend = £0.02 16/17 LGF spend = £0.01 17/18 LGF spend = £0.06 Profiled to spend in 2018/19 = £0.00 18/19 LGF spend (up to end of February 2019) = Scheme currently on hold	DETAILED DESIGN (Business Case Approved)	→	No progress this period as scheme has been placed on hold.	Replanting of trees that were cut down prior to the project being placed on hold will need to take place, ideally during the winter months.	Jobs = 50 Homes = 100
Middle Deal transport improvements, Dover	New road between Albert Road & Church Lane, Deal. Scheme being prepared & delivered by developer. (Delivery by Quinn Estates)	18/19	£1.55m Made up of: £0.8m LGF £0.75m match	15/16 LGF spend = £0 16/17 LGF spend = £0.8 17/18 LGF spend = Match funding only Profiled to spend in 2018/19 = Match funding only	CONSTRUCTION (Business Case Approved)	→	Quinn Estates planning team continue to resolve consultee queries relating to the reserved matters planning submission which will allow a refresh of the S278 agreement. Anticipate new completion date of quarter 3 2019/20.	Remobilisation Install Culvert Ecology Walkover Refresh of S278 agreement. Approval of Reserved Matters app.	Jobs = 150 Homes = 150
Maidstone Integrated Transport	Package of transport improvements.	16/17 to 20/21	£11.85m Made up of: £8.9m LGF £2.95m match	15/16 LGF spend = £0 16/17 LGF spend = £0.27 17/18 LGF spend = £1.11 Profiled to spend in 2018/19 = £2.48 18/19 LGF spend (up to end of February 2019) = £ 0.380	VARIOUS STAGES OF DELIVERY (Business Cases approved for phase 1 and 2, further approval for Phase 3 is required for remaining £4m allocation)	→	Phase 1 1) A20 London Road j/w Willington Street - As part of the SELEP requirement to reappraise the scheme, the costs have been re-visited which has improved the BCR to demonstrate high value for money. This element of the business case was submitted to the ITE and KCC has received feedback as part of Gate 1. An updated submission of the business case has subsequently been submitted in line with a decision at the SELEP Accountability meeting on 12 th	Ongoing work to be carried out on the Phase 3 package of schemes that need to be submitted to SELEP for approval.	Jobs = 1820 Homes = 1725

						<p>April 2019.</p> <p>Phase 2</p> <p>2) M20 J5/Coldharbour R/bout – KCC held a meeting with RBLI and the Department for Health and Social Care on 22nd January 2019 to discuss the overage situation on the land required for the scheme, with an agreement in principal reached. Detailed design continues to progress accordingly with an August 2019 completion date.</p> <p>Further phases:</p> <p>Phase 3</p> <p>3) Wheatsheaf/Cripple Street/Boughton Lane/Armstrong Road/Sheals Crescent - Business case submitted for the release of funding to progress the A229 Loose Road corridor works. This element of the business case was submitted to the ITE and KCC has received feedback as part of Gate 1. An updated submission of the business case has subsequently been submitted in line with a decision at the SELEP Accountability meeting on 12th April 2019.</p> <p>4) A20 London Road j/w Hall</p>	
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							Road - Business case submitted for the release of funding to progress the scheme. Work is ongoing on the design and costings for this scheme to feed into a delivery programme alongside the A20 Coldharbour Roundabout and the ongoing works for the M20 Smart Motorway. Both are scheduled to be delivered before the end of the Growth Deal.		
Sittingbourne Town Centre Regeneration (developer delivered), Swale	Re-alignment of St. Michaels' Rd & public realm improvements adjacent to rail station. (Delivery by Spirit of Sittingbourne)	17/18	£4.7m Made up of: £2.5m LGF £2.2m match	15/16 LGF spend = £0.34 16/17 LGF spend = £2.16 17/18 LGF spend = £0.00 Profiled to spend in 2018/19 = Match funding only	CONSTRUCTION (Business Case Approved)	→	Phase 2 of Highways works likely to be finalised by the end of April 2019. Phase 1 revisit is continuing in various areas of the overall scheme, including the resurfacing of West Street and St Michaels road. Technical approval of phase 4 (section 1) has been achieved. Technical approval of Phase 3 (section 2) is to come forward following minor comments from KCC officers and some final approvals from Southern Water. This approval will allow a start on site in the next two months and completion in the 2019/20 financial year.	Completion of Phase 1 Re-visit. Commencement of Phase 3 Section 1.	Jobs = 560 Homes = 214 & training facilities

<p>Tunbridge Wells Junction Improvements (Phase 2 - A26 Cycle Route)</p>	<p>Junction improvement & A264 junction changes. Phase 1 works complete. Phase 2 construction planned for 2018/19</p>	<p>15/16 to 18/19</p>	<p>£1.8m LGF</p>	<p>15/16 LGF spend = £0.60 16/17 LGF spend = £0.19 17/18 LGF spend = £0.05</p> <p>Profiled to spend in 2018/19 = £0.96</p> <p>18/19 LGF spend (up to end of February 2019) = £0.276</p>	<p>DELIVERED - PHASE 1 DETAILED DESIGN/CONSTRUCTION - PHASE 2 (Business Case Approved for full allocation)</p>	<p>→</p>	<p>Phase 2 (Section 1) delivered on time. Cycle lane complete and side road raised tables being constructed.</p> <p>The Section 3 design is ongoing although this has been delayed because of resource issues and is likely to run through into the next financial year (19/20).</p>	<p>Complete side road raised tables and resource phase 3 designs to take cycleway through to Tonbridge.</p>	<p>Jobs = 105 Homes = 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>15/16 to 20/21</p>	<p>Total across 6 years - £9.06m</p> <p>Made up of: £4.9m LGF £4.16m match</p>	<p>15/16 LGF spend = £0.8 16/17 LGF spend = £1.31 17/18 LGF spend = £0.33</p> <p>Profiled to spend in 2018/19 = £0.7</p> <p>18/19 LGF spend (up to end of February 2019) = £0.551</p>	<p>VARIOUS STAGES OF DELIVERY (Business Case Approved)</p>	<p>→</p>	<p>Tunbridge Wells Public Realm phase 2 -Construction has commenced and is progressing as planned. Surveys and traffic counts have been commissioned and will take place before the main element of construction on Mount Pleasant Rd starts which will provide before data for monitoring purposes.</p> <p>Maidstone East station -NR have gone to tender for a specialist to complete the asbestos removal/demolition. New contract expected to be in place by early April 2019 which will clarify the impact on the programme. The scaffolding will be dismantled in March.</p> <p>Tonbridge Station Interchange - Project complete apart from some minor snagging and the RSA being carried out. Some further works are required to street lighting, pedestrian display units and yellow box markings which are scheduled</p>	<p>Tunbridge Wells Public Realm phase 2 - Continue with construction.</p> <p>Maidstone East station - Stakeholders to be advised of the scaffolding replacement and change of contractor.</p> <p>Tonbridge Station Interchange - Finalise remaining works</p>	<p>Jobs = 345 Homes = 393</p>

						<p>for March. The project team will continue to monitor the junction so that the timings can be amended to improve traffic flow.</p> <p>Swanley Station - The legal agreement which covers the transfer of LGF and CiL funding (for £2.25m) has been drafted by Invicta Law and is currently with Southeastern's lawyers for comment and proposed amendments. Consultants have been commissioned to progress the current design options to GRIP 4 and an inception meeting has been held to confirm the agreed design to progress and prepare a programme for delivery. It has been agreed that planning permission is not required and Southeastern will be progressing the design under Permitted Development Part 18.</p>	<p>Swanley Station – Legal agreement to be finalised.</p>		
<p>Kent Thameside LSTF</p>	<p>A package of measures to support travel by sustainable means. Start of works planned for 2015/16.</p>	<p>15/16 to 20/21</p>	<p>Total across 6 years - £7.65m</p> <p>Made up of: £4.5m LGF £3.15m match</p>	<p>15/16 LGF spend = £2.05 16/17 LGF spend = £0.48 17/18 LGF spend = £0.72</p> <p>Profiled to spend in 2018/19 = £0.49</p> <p>18/19 LGF spend (up to end of February 2019) = £0.198</p>	<p>VARIOUS STAGES OF DELIVERY (Business Case Approved)</p>	<p>→</p>	<p>Barrack Row Bus Hub – Further surveys (Asbestos) have been carried out while the tenants were still in occupancy and a further survey is required once vacant possession is achieved. A draft estimate has been received which is higher than the original scheme budget, so this is currently being reviewed based on the assumptions.</p>	<p>Barrack Row Bus Hub - An engagement event is planned for June 2019 together with a newsletter to local residents and an online update via Kent.gov.uk</p>	<p>Jobs = 843 Homes = 657</p>

							<p>Princes Rd cycle route – JTB have now given full approval for the scheme to continue and construction is being programmed for Summer 2019. Following the JTB decision Bouygues are re-engaged to programme associated street light works.</p> <p>Gravesend Station to Cyclopark cycle route - Project Centre have now provided the updated plans, RSA and costs which are being reviewed.</p> <p>Burnham Rd Toucan - Construction is now complete and signals are on and working.</p>	<p>Princes Rd cycle route - Await programme of works.</p> <p>Gravesend Station to Cyclopark cycle route – Project Centre have been commissioned to update the detailed design of the route.</p> <p>Burnham Rd Toucan - Press release to be finalised to promote the completion of the scheme.</p>	
Kent Strategic Congestion Management programme	Package of congestion management initiatives. Start of works planned for 2015/16.	15/16 to 20/21	Total across 6 years - £4.8m LGF	<p>15/16 LGF spend = £0.86 16/17 LGF spend = £0.69 17/18 LGF spend = £0.60</p> <p>Profiled to spend in 2018/19 = £0.85</p> <p>18/19 LGF spend (up to end of February 2019) = £ 0.181</p>	VARIOUS STAGES OF DELIVERY (Business Case to secure final years' funding submitted with decision on 12 th April 2019)	→	<p>2015/16 schemes completed (HMC Technology Refresh - Database/CCTV & VMS)</p> <p>2016/17 schemes completed (A292 Mace Lane/ Wellesley Road, & Somerset Road/ Canterbury Road junction improvements in Ashford).</p> <p>2017/18 schemes completed (Barton Hill Drive temporary improvement and Dartford Network Improvements)</p>	Further approval by the SELEP Accountability Board meeting on 12 th April 2019.	Jobs = 1903 Homes = 2230

						<p>2018/19 schemes:</p> <p>A229 Bluebell Hill CITS Scheme –The Pilot projects and TestFest events are scheduled and plans are in place to line up drivers for training, installations and pre-testing assessments.</p> <p>Wateringbury Crossroads – The scheme was due to go out to public consultation in December 2018 to gain feedback on two potential options. However, initial C3 estimates from BT came back higher than anticipated to divert their utilities. This work would be required in order to deliver the most benefit to the junction with regards to traffic flow. Further work is required to identify the full cost and timescales to divert the BT utilities.</p> <p>Tunbridge Wells link assessment – Phase 2 report was submitted in October 2018 which included identified options to target congestion in five key arterial routes within Tunbridge Wells. An online consultation and cost benefit analysis is still to follow, and these will be completed by April 2019.</p> <p>Dover TAP/ ITS assessment Atkins have developed and delivered a "summary table"</p>	
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							containing proposals for improvements in Dover. This table is thorough and provides a variety of suggested improvements as well as estimated costs of each measure that could be taken forward.		
Kent Sustainable Interventions programme	Package of smaller transport interventions. Start of works planned for 2015/16.	15/16 to 20/21	Total across 6 years - £3m LGF (£0.5m annually)	<p>15/16 LGF spend = £0.14 16/17 LGF spend = £0.41 17/18 LGF spend = £0.53</p> <p>Profiled to spend in 2018/19 = £0.61</p> <p>18/19 LGF spend (up to end of February 2019) = £ 0.160</p>	VARIOUS STAGES OF DELIVERY (Business Case to secure final years' funding submitted with decision on 12 th April 2019)	→	<p>2015/16 schemes completed (Sittingbourne TC & Dartford cycle routes, South Street & Deal).</p> <p>2016/17 schemes completed (Folkestone Town Centre - Schools to Harbour Cycle links, Thames Greenway Cycle path, Folkestone to Dymchurch Cycle improvements, Highfield Lane/Kingsford Street, Mersham, Ashford & A21 NMU via Pembury Road, Tunbridge Wells, Tonbridge Angels to Rail Station cycle improvements).</p> <p>2017/18 schemes completed (Morants Court Roundabout - Polhill, Sevenoaks & Kent Spa, Castle Ride cycle & Folkestone to Hythe Cycle Improvements. Morehall to Folkestone Central Station Cycle Route)</p> <p>2018/19 schemes: Sloe Lane, Thanet Scheme on hold due to increasing costs and substantial land issues.</p> <p>A228 Holborough, T&M - 50mph limit now implemented</p>	Further approval by the SELEP Accountability Board meeting on 12 th April 2019.	Jobs = 1335 Homes = 1440

							and contractor in place to build toucan crossing.		
Kent Rights of Way improvement plan	Package of ROWIP measures. Start of works planned for 2015/16.	15/16 to 20/21	Total across 6 years - £0.3m LGF	<p>15/16 LGF spend = £0.19 16/17 LGF spend = £0.06 17/18 LGF spend = £0.14</p> <p>Profiled to spend in 2018/19 = £0.20</p> <p>18/19 LGF spend (up to end of February 2019) = £ 0.175</p>	VARIOUS STAGES OF DELIVERY (Business Case Approved)	→	<p>2015/16 schemes completed (Loose Greenway)</p> <p>2016/17 schemes completed (Finberry to Ashford scheme - Path improvement scheme completed on 12th March 2018 in line with expected completion date)</p> <p>2017/18 schemes in progress - Powder Mills scheme (Leigh to Tonbridge). Footpath improvement works were completed, but issues have arisen with sections of the new stone path surface which will be addressed by the contractor when weather conditions improve.</p> <p>2018/19 feasibility schemes – St Peter’s Village scheme (extension from Aylesford to Burham.</p> <p>St Peter’s Village scheme (extension from Aylesford to Burham). Following an initial site visit with the landowner and subsequent visit with a contractor, KCC have received a quote from Amey. EA have advised permit applications are not required for the surface improvement work.</p>	<p>Powder Mills scheme - Complete finishing works once ground conditions improve. Progress Legal Order to convert the Footpath to a Cycle Track.</p> <p>St Peter’s Village scheme - Finalise detail with landowners on the proposed works. Surfacing works due to start in new financial year.</p>	Jobs = 140 Homes = N/A

<p>Innovation Investment Fund (Growth Hub Capital)</p>	<p>Loan support programme.</p>	<p>15/16 to 20/21</p>	<p>Total £6m (£1m annually)</p>	<p>15/16 LGF spend = £0 16/17 LGF spend = £0.39 17/18 LGF spend = £2.95</p> <p>Profiled to spend in 2018/19 = £1.88</p> <p>18/19 LGF spend (up to end of February 2019) = £0.470</p>	<p>PHASE 7 (Business Case approved)</p>	<p>→</p>	<ul style="list-style-type: none"> •Phase 1 • Agreed at I3 Approval Board and accepted by applicants to a value of £388,500 with private leverage of £418,500. •Phase 2 - Complete with £700,000 of loans agreed and defrayed in full to R&B, Tillet, Ovenden and Petitt. •Phase 3 - Complete with £400,000 of loans agreed and defrayed in full to Green Barn and Darent Wax. •Phase 4 - Complete, with £950,000 defrayed in full to Betteshanger Sustainable Parks. •Phase 5 - Complete with £375,000 defrayed in full to West Design. •Phase 6 - Complete with Bulgaro (£350k) and Task Masters (£100k) approved and money drawn down. •Phase 7 – 2 out of the 4 agreed loans have been partially defrayed in line with their Convertible Loan Agreements (Algaecytes Ltd £250k and Exoid technology ltd £200k). The agreement for Ming Foods Limited (£500k) and Structural & Weld Testing are both on hold. •Phase 8 – 4 out of the 5 applications have been 		
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							received, including: <ul style="list-style-type: none"> o CTO Technologies Ltd. Value of Loan Applications £296,952. o City Farm Systems Ltd. Value of Loan Applications £400,000. o Kafoodle. Value of Loan Applications £250,000. o Drink Warehouse Limited. Value of Loan Applications £999,999. 		
A226 London Rd/B255 St Clements Way, Dartford	Junction improvements.	19/20	£6.9m Made up of: £4.2m LGF £2.7m match	15/16 LGF spend = £0 16/17 LGF spend = £0.73 17/18 LGF spend = £0.85 Profiled to spend in 2018/19 = £1.95 18/19 LGF spend (up to end of February 2019) = £ 2.638	CONSTRUCTION (Business Case approved)	→	Surfacing works completed. Acoustic barrier completed except for closing up gap for site compound access. Top soiling and planting of landscaping has commenced.	Completion of landscape planting. Defects inspection and completion of snagging/remedial works. Dismantle and remove site compound in 1st week of April. Arrange opening ceremony once scheme complete.	Jobs = 2395 Homes = 890
Thanet Parkway, Thanet	New rail station.	20/21	Project cost under review (£10m LGF)	Awaiting Business Case Approval 18/19 LGF spend (up to end of February 2019) = £ 0	GRIP STAGE 4 (Business Case submitted to ITE for review)	→	Ground Investigation survey results have now been submitted to Network Rail for review. The Implementation Agreement for GRIP 5-8 is currently being drafted to avoid delays once Grip stage 4 is finalised. The planning documentation is also being drawn together from all parties. Land negotiations are progressing well with comments from the landowner currently being addressed and	Network Rail to begin costing exercise based on the new design and increased level of knowledge from surveys etc. Workshop to be held with NR to review Level crossing options at Cliffsend.	Jobs = 2100 Homes = 800

							access issues being progressed by KCC Highways. Network Rail are also currently carrying out surveys to understand the level crossing usage at both Sevenscore and Cliffsend.		
SELEP Coastal Communities	Housing-led economic regeneration in Cliftonville West/Margate Central (Delivery by Thanet DC)	20/21	£1.529m Made up of: £0.666m LGF £0.863m match	17/18 LGF spend = £0.06 Profiled to spend in 2018/19 = £0.51 18/19 LGF spend (up to end of February 2019) = £0.362 (estimate from third party - not transferred from KCC)	CONSTRUCTION (Business Case approved)	→	1. 24 Ethelbert Crescent - Project completed with handover of units. Final accounts to be issued. 2. 17-21 Warwick road- 9 x 2 bed flats. Main contractor appointed. Contract duration 46 weeks, Contract Value £1,352,389.72.	KCC to review spend to date on scheme in 18/19 and feedback to TDC to allow invoice and payment of spend incurred to date.	Jobs = TBC Homes = TBC
Local Growth Fund Round 2 Schemes									
Dover Western Dock Revival	Package of highway improvements. (Delivery by Dover Harbour Board)	15/16 to 19/20	£5m LGF	15/16 LGF spend = £0 16/17 LGF spend = £4.73 17/18 LGF spend = £0.09 Profiled to spend in 2018/19 = match funding only	CONSTRUCTION (Business Case approved)	→	Pier is targeted to be open in May 2019. Currently installing the cathodic protection for the piles, which first required the excavation of the shingle for the divers to get to the base. The pier is in place and is traversable for the workers/machinery, but additional work is required to add walkway and barriers to make it publicly accessible.	Receive final invoice and evidence from DHB based on Retention from main contractor.	Jobs = 1685 Homes = 500 & Enables broader Western Docks Revival scheme

Ashford International Rail Connectivity (Ashford Spurs)	Signalling upgrade to maintain international rail services at Ashford (Delivery by Network Rail)	16/17 to 18/19	£8.6m Made up of: £0.7m partner funding; £7.9m LGF	15/16 LGF spend = £0 16/17 LGF spend = £0.17 17/18 LGF spend = £4.17 Profiled to spend in 2018/19 = £1.92 18/19 LGF spend (up to end of February 2019) = £1.162 (estimate from third party - not transferred from KCC)	GRIP STAGE 6 (Business Case approved)	→	There are ongoing issues with the AC/DC interface (Connectivity) which is still preventing the new trains from stopping at Ashford International. The working group has put forward 3 options to resolve the issue which are currently being worked up and costed.	Project Board to determine infrastructure intervention to resolve technical issue.	Jobs = 1000 Homes = 350 & Retain International Rail Services
M20 Junction 10A (now a full junction to be delivered by Highways England)	New Motorway Junction in Ashford (Delivery by Highways England)	19/20	£104.4m Made up of: £19.7m LGF £16m match £68.7m Highways England	Allocation for 2017/18 onwards (Direct from SELEP) 17/18 LGF profiled spend = £8.30 Profiled to spend in 2018/19 = £11.40	CONSTRUCTION (Business Case approved)	→	Works are ongoing and key achievements so far include: <ul style="list-style-type: none"> • Installation of the central span for Kingsford Street footbridge. The London bound carriageway was opened 6 hours early and the coast bound carriageway opening an hour after. The new bridge, which is designed for pedestrians, cyclists and equestrians, is set to open next summer. • Completion of high pressure SGN gas main diversion. This was seasonally constrained, and its completion releases significant areas open to the contractor which includes Earthworks, Sections of the A2070 link road and Lacton Pilin works. • Piling of the north and south abutments on both the East and West gyratory bridges and installation of both East and West Interchange Bridges that form Jct 10a. 	Scheme scheduled to open to traffic in Q3 2019 and final scheme completed in Q2 2020.	Jobs = 900 Homes = 1700

Local Growth Fund Round 3 Schemes									
Dartford Town Centre Transformation	Part of a wider programme of work aimed at improving the economic performance of Dartford town centre through public sector funding of transport/public realm improvements. (Delivery by Dartford BC)	21/22	£12m Made up of: £4.3m LGF £7.7m match	<p>Profiled to spend in 18/19 = £2.25</p> <p>18/19 LGF spend (up to end of February 2019) = £ 0.021</p> <p>18/19 Match spend (up to end of February 2019) £0.000 (Estimate being reviewed by KCC)</p>	OUTLINE DESIGN (Business Case approved)	→	<p>New Consultants appointed for the design phases 1A (High Street) and 2 (junctions) and work is progressing. ECI with the contractor progressing well. Detailed design for Phase 1 (Market Street) is now complete.</p> <p>Phase 2 traffic modelling (VISSIM) now progressing.</p>	Phase 1 site mobilisation 23-4-19 (subject to resolution of quotation/cost issues)	Jobs = 1811 Homes = 2341
A2500 Lower Road Improvements, Isle of Sheppey	Scheme to realign & improve the capacity of A2500 Lower Road/ Barton Hill Junction.	18/19	£1.805m Made up of: £1.265m LGF £0.54m match	<p>17/18 LGF spend = £0.30</p> <p>Profiled to spend in 2018/19 = £0.58</p> <p>18/19 LGF spend (up to end of February 2019) = £0.966</p>	CONSTRUCTION (Business Case Approved)	→	<p>Phase 1 Completion agreed on 28th February 2019. There are some minor outstanding works being undertaken as part of the defect's correction.</p>	Finalise construction works for Phase 1 and complete formal Transfer of land.	Jobs = 1500 Homes = 892

<p>Kent & Medway Engineering, Design, Growth & Enterprise (EDGE) Hub</p>	<p>Scheme to construct & equip the Kent & Medway EDGE Hub. (Delivery by Canterbury Christ Church University)</p>	<p>19/20</p>	<p>£21m Made up of: £6.12m LGF £14.88m match</p>	<p>17/18 LGF spend = £1.95 Profiled to spend in 2018/19 = £2.5 18/19 LGF spend (up to end of February 2019) = £ 4.167</p>	<p>CONSTRUCTION (Business Case Approved)</p>	<p>→</p>	<p>Construction work for the new building continues to progress well. A draft Monitoring, Evaluation and Learning Framework is now being consulted upon internally and will be agreed at the next Steering Group meeting in April 2019.</p>	<p>Further progress on staff recruitment is expected, subject to candidate shortlisting decisions being taken. Work will continue across all the project work streams.</p>	<p>Jobs = 398 Homes = 0 Learners = 1250</p>
<p>Leigh Flood Storage Area & East Peckham - unlocking growth</p>	<p>Scheme to reduce the risk of flooding in the catchment. (Delivery by Environment Agency)</p>	<p>22/23</p>	<p>£24.691m Made up of: £4.636m LGF £20.055m match</p>	<p>Profiled to spend in 2018/19 = £0.850 18/19 LGF spend (up to end of February 2019) = £0.728</p>	<p>FEASIBILITY (Phase 1 Business Case approved by SELEP in September 2018)</p>	<p>→</p>	<p>Leigh FSA Outline Business Case and Business Case Update Report submitted to internal Environment Agency assurance panel. To seek assurance on project progress and to approve expenditure on detailed design and other activities through to award of construction contract. - East Peckham - The current scheme being promoted by the Environment Agency (EA), has been reduced in scope to meet the requirement to spend the LGF allocation within the Growth Deal and to reduce the funding gap. Correspondence is underway with Rt Hon James Brokenshire MP, as Secretary of State for Housing, Communities and Local Government to investigate whether any flexibility can be granted by MHCLG to enable spend of LGF beyond the Growth Deal period for LGF projects. If such flexibilities cannot be granted, then a decision will be sought in</p>	<p>Award of detailed design contract. Draft submission for changing River Medway 1976 act of Parliament to Defra for review. Planning submission draft for Local Authority review. OBC submission. Undertake pre-application planning meeting.</p>	<p>Jobs = 70 Homes = 850</p>

							relation to the £2.287m LGF which is currently allocated to the East Peckham aspect of the Project. It may be that this project could be prioritised for Shared Prosperity Funding once further details on the fund are announced.		
A2 off-slip at Wincheap, Canterbury	Scheme to deliver an A2 off-slip in the coastbound direction, to improve accessibility to Canterbury. (Delivery by Pentland Homes)	20/21	£10.055m Made up of: £4.4m LGF £5.655m match	Awaiting Business Case Approval 18/19 LGF spend (up to end of February 2019) = £ n/a	FEASIBILITY (Business Case being prepared)	→	A business case was submitted to SELEP on 16th November 2018 in line with a funding decision by the Accountability Board on 15th February 2019. KCC held a Gate 1 review meeting with Steer who have raised a concern regarding the LGF being used to contribute to a scheme which is fully funded by developer contributions. SELEP has also received a letter from Ian Parsons (Highways England) which confirms that the Growth and Housing Fund (GHF) bid was not successful.	KCC are currently working with CCC on a revised business case submission, which will appraise the A2 off-slip and wider Wincheap improvements as part of an overall package to demonstrate the additionality that the £4.4m LGF investment would provide. This revision is lined up for submission before 1 st March 2019 as part of the Gate 2 process review by the ITE.	Jobs = 1685 Homes = 1150

ADDITIONAL SCHEMES

<p>Open Golf Championship 2020</p>	<p>Transport Improvements at Sandwich Station (Delivery by Network Rail)</p>	<p>19/20</p>	<p>£3.546m Made up of: £1.09m LGF</p>	<p>Profiled to spend in 2018/2019 = 0.665 18/19 LGF spend (up to end of February 2019) = £ 0.040</p>	<p>Grip Stage 3 (Business Case Approved)</p>	<p>→</p>	<p>Following a rejection of project proposals for access for mobility impaired, a 2nd attendance at Built Environment Accessibility Panel (BEAP) resulted in more positive response and in principle acceptance of access arrangements for mobility impaired during the event.</p>	<p>Formal acceptance by BEAP and derogation by DfT for access arrangements for mobility impaired. Award of contract for design and delivery and start of GRIP 4 process in project.</p>	<p>Jobs = TBC Homes = TBC</p>
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SCHEMES COMPLETED OR REMOVED					
Folkestone Seafront Resurfacing Shepway	Resurfacing of Tontine Street (in conjunction with S106 works).		£0.65m Made up of: £0.5m LGF £0.15m S106	Scheme Delivered – 2015/16	N/A
Maidstone Gyratory Bypass, Maidstone	A229 Gyratory Bypass, Fairmeadow.		£5.74m Made up of: £4.6m LGF £1.14m match	Scheme Delivered – December 2016	Jobs = 1250 Homes = 2000
M20 Junction 4 Eastern Overbridge	Widening of existing motorway overbridge.		£5.69m Made up of: £2.2m LGF £3.49m match	Scheme Delivered – February 2017	Jobs = 745 Homes = 1695
Tonbridge Town Centre Regeneration	Tonbridge High Street and adjacent transport improvements.		£2.65m Made up of: £2.4m LGF £0.25m match	Scheme Delivered (Phase 1 completed - High Street improvements June 2016 Phase 2 completed - River Walk improvements April 2017 / Hadlow Road/Cannon Lane jct improvements completed September 2016)	Jobs = 366 Homes = 1000
Maidstone sustainable access to employment areas	New River Medway Pathway between Aylesford & Allington Lock.		£3m Made up of: £2m LGF £1m match	Scheme Delivered (Main works complete - May 2017).	Jobs = 350 Homes = 475
Rathmore Road Link, Gravesend	New 2-way link road between Stone Street & Darnley Road		£9.5m Made up of: £4.2m LGF £5.3m match	Scheme Delivered in January 2018 (Opening ceremony held on Friday 19 th January 2018)	Jobs = 215 Homes = 390
Folkestone Seafront (developer delivered)	Construction of platform & sea defences to facilitate development of Seafront.		£22.11m Made up of: £5m LGF £17.11m match	Scheme Delivered (Main works complete – April 2018)	Jobs = 450 Homes = 1000
Westenhanger Lorry Park and Fort Halstead	Projects removed from programme following approval by KMEP & SELEP AB				

RAG Status	January 2018	March 2018	May 2018	July 2018	September 18	November 2018	March 2019
	3 red	4 red	6 red	5 red	5 red	3 red	3 red
	10 amber	10 amber	8 amber	9 amber	9 amber	10 amber	10 amber
	13 green	12 green	12 green	12 green	12 green	12 green	12 green
	1 is not required to spend until later in the programme; 1 removed and 6 complete	1 is not required to spend until later in the programme; 1 removed and 6 complete	1 is not required to spend until later in the programme; 1 removed and 6 complete	1 removed and 7 complete	1 removed and 7 complete	2 removed and 7 complete	2 removed and 7 complete
	34	34	34	34	34	34	34

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

Appendix E – Medway Schemes

Scheme	Description	Scheme delivery by	Budget and LGF spend	Status	RAG Status	Comments	Key Events for Next Period	Target out-comes
Local Growth Fund round 1 schemes								
A289 Four Elms roundabout to Medway Tunnel	Highway capacity improvements to provide journey time savings and reduced congestion.	End of 20/21	<p><u>BUDGET</u></p> <p>Revised budget = £11.564m* Made up of: - £11.1m LGF - £0.464m match funding</p> <p><u>LGF SPEND</u></p> <p>15/16 LGF spend = £0.298m 16/17 LGF spend = £0.402m 17/18 LGF spend = £0.347m Target Spend for 18/19, set April 18/19 = £2.155m Profiled to spend in 2018/19 = £0.711m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th February 2019</p>	OUTLINE DESIGN (Outline Business Case Approved)	↓	<p>A revised Business Case was considered by Accountability Board on 23rd February 2018 and approval was given for the release of an initial £3.5m of the LGF allocation. A Full Business Case will be brought forward for consideration, during 2019/20.</p> <p>The Outline Design for the scheme has now been completed and work has commenced on the Detailed Design. RIBA Stage 4 is due to be complete in June 2019, with accompanying costings.</p> <p>Utility diversions have been identified and pricing of works are being finalised with providers.</p> <p>All other works are pending confirmation on the outcome of Medway Council's HIF bid.</p> <p>SELEP have submitted a letter to Government to extend the project beyond the growth deal period, in line with Medway Council's HIF bid and we await a response. The February Accountability Board opted to retain LGF allocations against projects beyond the growth deal period, subject to conditions being satisfied.</p> <p>If Medway Council's HIF bid is successful, the Council intends to formally request a two year extension to the project, beyond the Growth Deal period. If the HIF bid is unsuccessful, a one year extension to the project will be formally requested.</p>	<p>Work will continue on Detailed Design, with completion expected by the end of June 2019.</p> <p>Work will begin on amending the planning application as required to address the changes to the scheme proposals.</p> <p>Formal proposals relating to the requested extension will be submitted, in close consultation with SELEP.</p>	<p>Jobs = 7688 Homes = 4433</p>

						Underspend this financial year against the target set in April 2018 is due to consideration of options for aligning HIF interactions with the A289 scheme.		
Strood town centre	Journey time and accessibility enhancements to the town centre including changes to the highway and improved public realm	End of Q2 19/20	<p>BUDGET Total budget = £10.27m</p> <p>Made up of: - £9.0m LGF - £1.27m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.2m 16/17 LGF spend = £1.772m 17/18 LGF spend = £0.944m</p> <p>Target Spend for 18/19, set April 18/19 = £6.085m</p> <p>Profiled to spend in 2018/19 = £1.571m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th February 2019</p>	CONSTRUCTION (Business Case Approved)	→	<p>The new Strood train station building opened to the public in December 2017.</p> <p>A well-attended event was held on 28th August to mark the completion of the first phase of the LGF works and to promote future phases of the project.</p> <p>A request to extend the project to 19/20 was approved by Accountability Board in November 2018.</p> <p>Extensive re-programming of works and spend profiling, due to restrictions on carriageway occupation, have been required and completion is expected by end of Q2 2019/20.</p> <p>Underspend this financial year against the target set in April 2018 is due to the reprogramming of works into 2019/20.</p>	Work will continue on-site to deliver the remainder of the project.	Jobs = 360-450 Homes = 600-815
Chatham town centre place-making 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 Q2 19/20	<p>BUDGET Total budget = £4.9m</p> <p>Made up of: - £4.0m LGF - £0.9m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.870m 16/17 LGF spend = £0.945m 17/18 LGF spend = £0.881m</p> <p>Target Spend for 18/19,</p>	CONSTRUCTION (Business Case Approved)	→	<p>Work is complete on all elements of the scheme, with the exception of the paddock, which is expected to be complete by end of Q2 2019.</p> <p>Medway Council will work with Network Rail to deliver the planned improvements to the station forecourt, and work commenced in December 2018 with completion expected Q2 2019.</p> <p>The works planned at Chatham train station have been delayed, largely due to Network Rail's lengthy procurement and decision making processes.</p> <p>Medway Council are finalising an advanced payment certificate bond to ensure National Stations</p>	Construction work on the paddock will continue. Initial works at the station started in December 2018 and expected completion is by end of Q2 2019/20.	Jobs = 6271 Homes = 3682

			<p>set April 18/19 = £1.303m</p> <p>Profiled to spend in 2018/19 = £1.105m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th February 2019</p>			<p>Improvement Programme funding is received from Network Rail within their funding period.</p> <p>Underspend this financial year against the target set in April 2018 is due to delay caused by Network Rail.</p>		
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.	End 18/19	<p>BUDGET Total budget = £2.8m</p> <p>Made up of: - £2.5m LGF - £0.3m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.228m 16/17 LGF spend = £1.15m 17/18 LGF spend = £0.919m Target Spend for 18/19, set April 18/19 = £0.203m Profiled to spend in 2018/19 = £0.203m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th February 2019</p>	CONSTRUCTION (Business Case Approved)	→	<p>All construction work of cycle route in line with the Medway Cycling Action Plan has now been completed.</p> <p>All LGF funding has been spent, in line with the target set in April 2018.</p>	<p>All construction works are now complete. Post construction reviews have been undertaken on all but the most recently completed routes.</p>	<p>Jobs = 390 Homes = 261</p>

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 15/16 with second part of the project by end of 19/20.	<p>BUDGET Total budget = £2.094m</p> <p>Made up of: - £2m LGF - £0.094m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.3m 16/17 LGF spend = £0.181m 17/18 LGF spend = £0.035m</p> <p>Target Spend for 18/19, set April 18/19 = £0.462m</p> <p>Profiled to spend in 2018/19 = £0.088m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th February 2019.</p>	<p>PHASE 1 – COMPLETE (Business Case Approved)</p> <p>PHASE 2 - DEVELOPMENT OF SUSTAINABLE TRANSPORT INTERVENTIONS - Change of Scope revised business case to be submitted in 19/20</p>	→	<p>Phase 1 works, which focus on improving egress from Medway City Estate are complete. The new traffic signals are operational, and indications are that there has been an improvement in journey times for vehicles leaving Medway City Estate during the evening peak.</p> <p>Discussions have continued regarding the content of phase 2 of the project, with input being sought from businesses and users of the estate. Feedback suggested original phase 2 proposal around a river taxi is not supported by user demand. Officers are considering revised and alternative proposals for phase 2 of the project, which will require the submission of a revised Business Case.</p> <p>Options for submission of the revised Business Case are being considered.</p> <p>SELEP have RAG rated this project Red, due to the need for a revised Business Case.</p> <p>Underspend this financial year against the target set in April 2018 is due to the requirement for a revised business case to be approved before Phase 2 works can begin.</p>	<p>The impact the phase 1 works have had on the flow of traffic leaving Medway City Estate will continue to be monitored.</p> <p>Proposals for phase 2 of the project, and the development of the associated revised Business Case will continue to be developed.</p>	Jobs = 390
Non-transport schemes - LGF rounds 2 and 3								

Rochester Airport - phase 1	Introduction of Innovation Park Medway. Phase 1 of the project involves improvements to airport infrastructure - works which are required to facilitate the development of the Innovation Park.	19/20	<p>BUDGET Total budget = £4.4m</p> <p>Made up of: - £4.4m LGF - £0.0m match funding – phase 1 only</p> <p>Additional Council match funding may be required, below £500k threshold in SELEP Assurance Framework.</p> <p>LGF SPEND 15/16 LGF spend = £0.0m 16/17 LGF spend = £0.179m 17/18 LGF spend = £0.182m Target Spend for 18/19, set April 18/19 = £3.648m Profiled to spend in 2018/19 = £0.267m* * As agreed at the SELEP Accountability Board meeting on 15th February 2019.</p>	OUTLINE DESIGN (Business Case approved)	↓	<p>Following an independent review of construction costs which highlighted that it was no longer possible to deliver all the outputs as stated in the original Business Case, a change in project outputs was proposed. In June 2018 SELEP Accountability Board approved this change, on the basis that all project outcomes, including safeguarding existing jobs, creating new jobs, releasing the land required for Innovation Park Medway and safeguarding the future of Rochester Airport would still be met.</p> <p>Planning permission was granted in January. The Judicial Review period will end 18th March.</p> <p>The procurement exercise to appoint a contractor is complete and Procurement Board have agreed the contract award. A meeting is arranged for the week commencing 18th March to discuss and finalise the contract.</p> <p>Underspend this financial year against the target set in April 2018, is due to the delay caused by ongoing opposition to the proposals from a small group of objectors.</p>	The contract for delivering the airport infrastructure improvements will be finalised imminently to enable construction works to begin.	Jobs = 37
Rochester Airport - phase 2	Introduction of an Innovation Park at Rochester Airport. Phase 2 of the project involves infrastructure works to enable the development of	20/21	<p>BUDGET Total budget = £48.67m</p> <p>Made up of: - £3.7m LGF - £44.97m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.0m 16/17 LGF spend = £0.0m</p>	BUSINESS CASE APPROVED SUBJECT TO CONDITIONS FOR LGF2 ENABLING WORKS, BEING MET.	→	Business Case approved at Accountability Board in February 2019, subject to start of Phase 1 works.	Design works will commence.	Jobs = 1544

	the Innovation Park.		<p>17/18 LGF spend = £0.0m</p> <p>Target Spend for 18/19, set April 18/19 = £0.520m</p> <p>Profiled to spend in 2018/19 = £0.208m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th February 2019.</p>					
Civic Centre site, Strood - flood mitigation measures	Improvements to flood defences at the former Civic Centre site to enable the development of the site. The former Civic Centre is a prime development site offering views across the river to Rochester Castle and Cathedral.	18/19	<p>BUDGET Total budget = £92m</p> <p>Made up of: - £3.5m LGF - £88.5m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.0m 16/17 LGF spend = £0.0m 17/18 LGF spend = £1.122m</p> <p>Target Spend for 18/19, set April 18/19 = £2.378m</p> <p>Profiled to spend in 2018/19 = £2.378m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th February 2019.</p>	CONSTRUCTION (Business Case approved)	→	<p>Planning consent has been granted, detailed design completed and piling work is complete, the land raising is complete and drainage work is underway. The design for the flood gate is nearing completion and installation should be complete by end of Q1 19/20.</p> <p>All LGF funding has been spent, in line with the target set in April 2018.</p>	Delivery will continue onsite.	Jobs = 610 Homes = 325

RAG Status	January 2018	March 2018	May 2018	July 2018	September 18	November 2018	March 2019
	0 red	0 red	0 red	1 red	0 red	0 red	3 red
	2 amber	2 amber	1 amber	0 amber	3 amber	3 amber	1 amber
	4 green	4 green	6 green	6 green	5 green	5 green	4 green
	2 not required to spend until later	2 not required to spend until later	1 not required to spend until later	1 not required to spend until later	0 not required to spend until later	0 not required to spend until later	0 not required to spend until later
	8	8	8	8	8	8	8

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

ITEM 9B

Date:	25 March 2019
Subject:	Swale Borough Council's Housing Infrastructure Fund Bid
Report authors:	Kieren Mansfield, Swale Borough Council Deborah Rolfe, Medway Council

Summary

This report provides an update on the Housing Infrastructure Fund following an announcement in March 2018 by the Ministry of Housing, Communities and Local Government.

The announcement confirmed that Kent County Council was successful in its initial 'Expression of Interest' (EOI) for Forward Funding supporting the delivery of major transport infrastructure in Sittingbourne.

Similarly, Medway Council was successful in its EOI called New Routes to Good Growth, which plans for much needed infrastructure to enable growth in and around the Hoo Peninsula and waterfront regeneration sites.

Recommendation

- The KMEP Board is asked to note the report.
-

1. Introduction

1.1 In July 2017, the Ministry of Housing, Communities and Local Government launched a Housing Infrastructure Fund (HIF) of £2.3 billion to enable the delivery of up to 100,000 new homes in England. An additional £2.7 billion was announced in the Autumn Budget 2017.

1.2 HIF is a government capital grant programme, and funding will be awarded to local authorities on a competitive basis. The purposes of the Fund are to:

- Deliver new physical infrastructure to support new and existing communities;
- Make more land available for housing in high demand areas, resulting in additional new homes that otherwise would not have been built;
- Support ambitious local authorities who want to step up their plans for growth and make a meaningful difference to overall housing supply; and
- Enable local authorities to recycle the funding for other infrastructure projects, achieving more and delivering new homes in the future.

- 1.3 In September 2017, both Kent County Council and Medway Council submitted Expressions of Interest (EOIs) for the Forward Funding element of the HIF. This offered larger grants of up to £250m to support ambitious projects, with the EOIs forming part of a competitive, two-stage process.
- 1.4 The Kent and Medway Economic Partnership and South East Local Enterprise Partnership were also engaged, and both endorsed the submission of three Forward Fund schemes:
 1. **Otterpool Park Garden Town:** £281 million for a range of physical infrastructure including education, transport and utilities to de-risk and accelerate significant housing growth in the proposed Garden Town from 2020.
 2. **Swale Transport Infrastructure:** £40 million for recognised improvements required at the A249 junctions (Grovehurst and Keycol) and funds to undertake the development works for strategic transport infrastructure.
 3. **Medway Council's New Routes to Good Growth:** up to £170m for much needed infrastructure to enable growth in and around the Hoo Peninsula and waterfront regeneration sites.

2. Progress since submission of HIF Forward Funding

- 2.1 In March 2018 Government announced the HIF funding allocations shortlist of 44 schemes, which included the bids submitted for the proposals in Swale and in Medway. Since this date, both Kent County Council (working with Swale Borough Council) and Medway Council have been developing the full business case for their respective submissions. These are to be submitted no later than the 22nd March 2019.
- 2.2 This second stage of the Forward Funding element of the HIF process is regarded by the Ministry of Housing, Communities and Local Government as a 'co-development' period and there has been regular contact with MHCLG and Homes England as the business cases have been developed.

3. Swale's HIF Bid: Transport Infrastructure

- 3.1 The Swale scheme to be submitted has evolved since the submission of the EOI, in light of guidance provided by MHCLG, as well as in response to other stakeholders which have been involved, including Highways England.
- 3.2 It is now focused entirely on delivering junction improvements that are required at Key Street (the junction between the A2 and the A249) and at the Grovehurst interchange, at a total cost of c.£39m. Along with Junction 5 of the M2, these junctions are over capacity and currently a significant barrier to the delivery of committed housing development in Sittingbourne and on the Isle of Sheppey. The congestion and safety issues also impact local residents, local businesses and their staff.
- 3.3 The proposed improvements are identified as urgent priorities in the Swale Borough Council Local Plan and the Local Transport Plan "Growth without Gridlock". If delivered they will directly support the development of over 4,600 homes (to which the Council is committed through its adopted Local Plan) and support the areas large

and growing industrial and commercial base. The improved junctions will also offer the opportunity, alongside further transport improvements, to unlock further housing and commercial growth in the area, supporting Swale Borough Council's current review of its Local Plan.

4. Medway's HIF Bid: New Routes to Growth

- 4.1 The Medway Council's Cabinet report, found in the appendix, sets out the details of their Housing Infrastructure Fund (HIF) bid.

5. Next steps

- 5.1 Both the Medway and Swale proposals were submitted in March 2019 and at the time of writing, there has been little detail provided about the mechanism through which the business cases will be evaluated and the timeframe for any announcements.
- 5.2 Although Government had set an absolute deadline of the 22nd March, it was the original intent of MHCLG that the submission of business cases would occur at three different points in the year; September 2018, December 2018 and March 2019. It was also the intention that funding announcements for each tranche would be made approximately three months after each submission date.
- 5.3 With the exception of a handful of projects, there has been significant slippage across the country, as Local Authorities have wrestled with the requirements of developing a full business case. Consequently the majority of the shortlisted schemes will have been submitted close to the March 2019 deadline. This may present challenges for the evaluators and may contribute to possible delays in any announcements.

6. Recommendations

- 6.1 The KMEP Board is asked to note the report.



CABINET

5 FEBRUARY 2019

HOUSING INFRASTRUCTURE FUND BID – NEW ROUTES TO GOOD GROWTH

Portfolio Holder: Councillor Alan Jarrett, Leader
Report from: Richard Hicks, Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive
Author: Deborah Rolfe, Regeneration Programme Manager

Summary

This report sets out details of Medway's Housing Infrastructure Fund (HIF) Bid – New Routes to Good Growth, which plans for much needed infrastructure to enable growth in and around the Hoo Peninsula and waterfront regeneration sites.

The report will ask Cabinet to agree to the submission of the Bid for up to £170million on 1 March 2019.

This report details the current estimated costs of the deliverables within the bid. However, work is still taking place with the business case, which will calculate the value for money, and benefit versus cost ratio. Therefore, these figures may alter slightly prior to submission.

The report therefore recommends Cabinet to agree to delegate authority to the Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive, in consultation with the Leader to agree the final HIF Bid for submission on 1 March 2019, as detailed within the report.

In addition, the report will also recommend Cabinet to agree to delegate authority to the Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive, in consultation with the Leader, that following submission of the bid, to liaise with the Ministry of Housing, Communities and Local Government (MHCLG) and Homes England as necessary to make any required changes to the HIF bid prior to the MHCLG's final decision on the outcome of the bid.

1. Budget and Policy Framework

1.1 The submission of bids for infrastructure funding is a matter for Cabinet.

1.2 The Council is preparing a new Local Plan to manage Medway's growth up to 2035. On adoption, this will form the development plan for the authority and

be part of the Council's policy framework. Recent consultation on the Local Plan Regulation 18 Development Strategy included a proposal for strategic growth on the Hoo Peninsula, with a rural town focused around Hoo St Werburgh as part of the spatial strategy to manage Medway's growth needs. The Planning Service is considering responses to the consultation and carrying out further evidence based work to identify the most sustainable and appropriate locations for growth in Medway as allocations in the new Local Plan.

- 1.3 Housing Infrastructure Funding of up to £4.6 billion (£4.1 billion previously and increased by £500m in Autumn Budget) is being made available for upper tier local authorities to facilitate the delivery of infrastructure to bring forward 300,000 new homes. It is a competitive process looking for bids that deliver significant housing numbers and the necessary infrastructure. Medway Council has been successful in the Expression of Interest (EOI) stage of the bid process and is now completing the final Co-development stage of the bid.
- 1.4 In line with rule 15.11 of Chapter 4, Part 5 of the Constitution, call-in can be waived where any delay likely to be caused by the call-in process would seriously prejudice the Council's or the Public's interests. In this case, the bid business case and bid submission will need to be completed, and uploaded to the HIF Portal from mid-late February to ensure that all of the documents are received prior to the 1 March 2019 submission date, therefore, on this occasion it is proposed that the call in period be waived. The Chairman of the Regeneration, Culture and Environment Overview and Scrutiny Committee has agreed that the decisions proposed are reasonable in all the circumstances and to them being treated as a matter of urgency and to waive call-in.

2. Background

- 2.1 In September 2017, Medway Council submitted an EOI bid (New Routes to Good Growth) of £170m to Homes England, to unlock the potential of new development on the Hoo Peninsula of 12,100 new homes by 2043, and strengthen the area's economy through development of commercial space at Kingsnorth and Grain.
- 2.2 The bid represents strong value for money compared to the level of investment and number of homes proposed for Ebbsfleet (£300m, 15,000 homes), Oxfordshire (£163m for 5,570 homes) and Cambridgeshire (£193m for 7,600 homes) seeking to bring forward much needed physical, social and environmental infrastructure, in the form of roads, new rail connections and station which will support economic growth and social facilities such as new community facilities and country parks.
- 2.3 The Council must submit a Business Case to the Ministry of Housing, Communities & Local Government (MHCLG) to complete the final co-development stage of the bid by 1 March 2019.
- 2.4 The Regeneration Delivery team has been liaising with the Planning Service to link the development of the HIF proposals with the emerging growth options in the new Medway Local Plan. The Local Plan must set out a

successful strategy to manage Medway's growth up to 2035. The plan seeks to achieve our ambitions for development that makes Medway a great place to live, work, learn and visit, by strengthening our economy, caring for our environment and heritage, and meeting the needs of our communities. The projected need for housing is a huge challenge. Current government policy indicates that Medway needs to provide for 28,500 new homes by 2035. The council has to consider how best to deliver this scale of development. In assessing options as part of the plan making process, the council has identified the potential for strategic growth around Hoo St Werburgh for a small rural town. This could address current shortfalls in infrastructure and services on the Hoo Peninsula, as well as making an important contribution to meeting the needs for homes, jobs and facilities for Medway's growing and changing population. This option was predicated on the need for significant infrastructure investment, and a sensitive approach to planning and design to secure the rural character and acknowledge the important environmental assets on the Hoo Peninsula. The key principles for the development of a rural town were set out in the last consultation document on the emerging Local Plan.

- 2.5 The HIF bid has recognised the potential for this strategic development on the Hoo Peninsula, and seeks to secure the resources that would be required to deliver a sustainable and attractive small rural town. The bid addresses the challenges of delivering this scale of development, and realises opportunities to attract growth that can provide benefits for all. The Hoo Peninsula is currently considered to be somewhat isolated, with limited infrastructure and services. Although it has internationally important environments, it does not have the same profile as other rural locations in Kent. Investment in transport and broadening the range of services and jobs is critical to driving market confidence and value, and boosting housebuilding in the area.
- 2.6 The criteria of the HIF bid are clearly focused on the delivery of housing. In working with the Local Plan team, the council is able to consider the wider impacts associated with such a scale of development on the Hoo Peninsula. The Local Plan will be independently examined to determine if the proposed strategy will meet our development needs, and represents a sound approach to achieving our plan objectives, based on clear evidence. Proposals for growth on the Hoo Peninsula will therefore be tested against a wider range of social, environmental and economic factors. The council is committed to delivering successful growth, that is sensitive to the local area. These principles form the basis of the growth proposal.

3. Options

Do Nothing

- 3.1 Modelling of the current infrastructure shows that the capacity for growth in the Hoo Peninsula area is limited; this is due to the A289 currently operating at almost full capacity. The Hoo Peninsula is also restricted with effectively only one way in and out, this is Four Elms Hill, which is also an air quality management area (AQMA). The strategic transport modelling for the Local Plan shows approximately 1,000 homes could be brought forward in this area, but this would be the only growth before major infrastructure improvements are required. The Planning team have advised that much of this capacity has

been taken up in consented development schemes, not yet built out. Amazon have also recently moved to Kingsnorth, they will generate significant numbers of car and lorry movements, which will consume any capacity left on this road infrastructure. Without the Housing Infrastructure Funding to complete transport improvements in this area, there will not be any capacity for further housing growth.

Do Less

- 3.2 The development of the HIF business case has to follow Green Book Appraisal guidelines. These require bidders to set out a 'Do Less' option (this paragraph) alongside a 'Do Nothing' (paragraph 3.1) and a 'Do All' option (paragraph 3.3). Due to the highways constraints as set out in paragraph 3.1, the Medway HIF bid will make the case that 'Do Less' is not a realistic option.

Do All

- 3.3 This option would include receiving the full Housing Infrastructure Funding of £170m. This would enable the Council to complete the full planned works, improve not only the road infrastructure, but also provide a new rail link to the Hoo Peninsula providing residents with attractive options for modal shift, and creating additional freight capacity. The additional freight capacity would allow for continued growth at Kingsnorth, and by encouraging movement of freight by rail would reduce the amount of lorries on the road in this area, providing additional capacity for car and bus, therefore supporting more housing. It would also have capacity for a bus quality corridor providing further modal shift opportunities for local residents with improved journey times. Delivering improvements to the transport infrastructure would provide the capacity and opportunity to develop 12,100 homes across the Hoo Peninsula by 2043 with the associated additional essential development infrastructure requirements, establishing a sustainable rural town.

4. New Routes to Good Growth – Housing Infrastructure Fund Bid Submission

- 4.1 National Planning Policy requires Local Plans to encourage a balanced transport system in favour of sustainable transport, providing choices for travel and reducing greenhouse gas emissions and congestion.
- 4.2 The current infrastructure, in and around the Hoo Peninsula, is recognised as a major constraint to growth within the Council's Local Plan Development Options consultation document. Forward funding via the Housing Infrastructure Fund for infrastructure investments would address this barrier to potential strategic development. The transport investments are critical to achieve wider ambitions for sustainable and successful growth.
- 4.3 During the Co-development stage of the bid process there have been a number of risks and constraints raised within the HIF Bid submission requirements. Officers were advised that the spend deadline for the HIF funding is March 2023, and reminded that the benefit realisation period ends in March 2043. They were also advised that benefits achieved after 2030 would achieve lower scores than the ones delivered earlier, due to the

funding not only unlocking housing sites, but also bringing them forward at a faster pace.

- 4.4 The team are current finalising the business case; officers have been advised by Homes England and MHCLG that this is a housing bid, and the key benefit required is housing. The Council's bid is all about infrastructure and so the business case needs to show how this infrastructure brings forward housing. The business case has to take into consideration any "deadweight" (housing that would have been delivered without HIF), and any displacement from other areas. Medway Council's EOI bid had an extremely good benefit versus cost ratio. Work is now taking place within the business case stage of the bid, to keep this within the same levels, as well as proving that the options proposed are value for money.
- 4.5 The business case cannot be completed until the deliverables are confirmed in detail. This work is significantly advanced and still in progress so there may be some changes to the proposals between this report and submission. To ensure the bid is submitted by 1 March 2019, Members are asked to approve delegated authority to agree any changes that are required to submit a robust and deliverable business case.
- 4.6 A HIF Bid of £170m is an ambitious proposal; officers have been advised by Homes England that this is one of the most complex bids that has been received, but if successful, this funding could provide the transport infrastructure needed to unlock 12,100 houses on the Hoo Peninsula by 2043. The options proposed to be included within the bid submission are:

Proposed Road Investment	£86m
Proposed Rail Investment	£67m
Proposed Additional Essential Development Infrastructure	£17m
Total	£170m

Road Investment

- 4.7 Detailed modelling for the existing road network has been required to support the road investment proposed for the Hoo Peninsula, as well as liaison with the Department for Transport (DfT).
- 4.8 Project Centre were appointed to review the capacity within the existing network and what would be required to bring forward the level of homes planned for the Hoo Peninsula.
- 4.9 They identified a number of options that were put through rigorous tests to ensure they would provide sufficient capacity, not only for the new homes being provided and for the new journeys that they would generate, but also to improve the existing road infrastructure to enable improved capacity throughout the local area.
- 4.10 Various road improvements as well as new road infrastructure are proposed for HIF Bid Funding.

- 4.11 The road improvements that are to be included within the bid will be to the main A289 Road; these will be from the Four Elms Roundabout, through the Sans Pareil Roundabout and completing at Anthony's Way Roundabout. The improvements will include additional lanes to widen the roads in this area, as well as improvements to the roundabouts including new slip roads off the roundabouts to improve traffic flow and reduce traffic queueing at the roundabouts.
- 4.12 Improvements are also proposed for Four Elms Hill. The current slip roads that lead onto and off Four Elms Hill are to be extended to improve access to and from the Hoo Peninsula, and improve traffic flows in this area, which should also reduce the impact on the current Air Quality Management Area (AQMA).
- 4.13 A new road is proposed to link the A228 from the Main Road roundabout to the A289. This will mean that traffic wishing to access the M2 from the Hoo Peninsula, or traffic returning from the M2/A2 will not have to travel via Four Elms Hill or the Four Elms Roundabout, reducing traffic in this area. This new road will require various improvements and widening to local roads and roundabouts as well as a new slip road/bridge to access the A289.
- 4.14 Various local road and roundabout improvements have also been identified for Main Road Roundabout, Bells Lane Roundabout and Ropers Lane Roundabout as well as the new signalised access road from the Ratcliffe Highway for the new train station at Sharnal Street.
- 4.15 The team are currently working on the option appraisals required for the Business Case. This includes reviewing the benefit versus cost ratio for the project as well as the build programme for the road works to establish if these local improvements can be included within the HIF Bid.

Rail Investment

Capacity Study

- 4.16 The initial task for the rail element was to complete a timetabling and capacity study with Network Rail (NR) to ensure that a new service was achievable on the Hoo Peninsula and would not disrupt existing freight services.
- 4.17 Five options were reviewed, including direct services and shuttle services. The best option that worked with minimal disruption was a direct service from London Victoria on the existing infrastructure. This service would provide one train per hour to the Hoo Peninsula.
- 4.18 Another option was a new connection of the Medway Cord to Higham. This would not only allow freight trains to connect to Paddock Wood and the main freight line, avoiding travelling through London, but would also allow trains to travel from Hoo back into Medway via Higham and Strood. This would then provide passengers with an additional option to travel into Medway by train, or change at either station to connect with additional trains travelling to London. This additional option would then provide two trains per hour to London on the existing services.

- 4.19 Both of the above options have been reviewed, designed and costed by Pell Frischmann, the rail consultants working on the HIF Bid. Discussions on the final detail and delivery of the preferred options are ongoing with DfT and NR. NR have worked closely with the Council and Pell Frischmann on the design of the rail scheme and the capacity study. The Council has the support of Network Rail who are committed to assisting bringing forward, what they feel, is an important strategic investment in this area to unlock housing and provide connectivity in Medway.
- 4.20 Future improvements that were reviewed could include doubling the Grain line track to beyond Kingsnorth; this would provide four trains per hour to the new station in Hoo, and this would provide additional freight capacity. These improvements are not currently proposed, or deliverable, within the HIF funding or the timelines for spending the funding, they are an aspiration for the future of the development of the Hoo Peninsula. The council will continue to work with strategic partners to secure a longer term investment programme, that can build on the investments of a successful HIF bid.

Rail Proposals

- 4.21 Pell Frischmann reviewed a full rail strategy for the whole of the Hoo Peninsula and included future growth up to and beyond 2045. Some of this work could not be included within the HIF funding proposal as the spend deadline is March 2023. Pell Frischmann reviewed their work in phases, and completed a programme of works required to ensure they would fit within the spending deadline. The proposed phases to be included within the HIF funding bid are phases 1a and 1b.

Phase 1a

- 4.22 This phase includes provision of a brand new station at Sharnal Street. The station works will include:
- New signalised access off the Ratcliffe Highway
 - New access road to the station
 - Kiss & Ride drop off area
 - New High Quality Public Space
 - New Modular Station and Platform
 - New Car Parking.

Phase 1b

- 4.23 This phase includes the provision of a curved link on the Medway Cord line to Higham with main line connection for passenger and freight services.
- 4.24 Work currently taking place is the completion of the option appraisals for each of the elements required for the HIF Business case. These appraisals and further detailed work will calculate the benefit cost ratio of each element, and also how much housing they will be able to unlock, or bring forward at pace on the Hoo Peninsula. This work will also detail how much of this can be included in the final bid submission.

- 4.25 A combined approach is recommended for the HIF Bid. A combination of rail, road and sustainable travel investments will support growth of different modes of transport. Investment will diversify travel approaches and ensure there is not overreliance on a single transport solution.
- 4.26 The HIF Bid is not just about transport infrastructure. The Council has identified a number of social and environmental additional and essential planning infrastructure needs for the Hoo Peninsula that have to be addressed as part of a potential strategic growth approach. There is also the management of the works, the requirement for a project team, consultants and associated project costs that will also be included within the funding.

Additional and Essential Development Planning Infrastructure

- 4.27 Road and Rail are large-scale infrastructure improvements required to unlock the building of 12,100 homes on the Hoo Peninsula. In addition to these two transport focused interventions, there is other critical infrastructure required to ensure that the 12,100 homes are supported by health, education and community infrastructure and therefore compliant with the Local Plan. The majority of this infrastructure is set out in the 2018 Developer Contribution Guide in the form of s106. However, the funds realised cannot always deliver the scale of new infrastructure required, therefore, a case has been made for HIF funding to address the funding gap. Our ambitions are for a sustainable rural town. This needs targeted and specific investments in community services for Hoo St Werburgh to properly function as a town. This requires more than just expanding existing facilities, but providing new services fit for purpose for a small rural town and the network of villages across the peninsula. This also links to market confidence in investments and potentially boosts the supply of housing.
- 4.28 Key infrastructure options that are currently being developed for possible inclusion in the HIF bid are the enablement of a sports/leisure centre, a Health Hub and a country park between Hoo St Werburgh and the Medway Estuary. Due to the environmental status of the Peninsula, it is essential that the scheme demonstrates how the housing can come forward without significantly impacting the green and blue environment. This will be part of the legal tests on the proposals as they progress through Planning. The provision and management of the country park is critical to securing the biodiversity of the local environment and supporting the health of residents. It will be a quick win for new and existing residents and will seek to address the impact on the Estuary. It will also drive investor confidence in delivering housing in an attractive place where people want to live.

Project Management Costs

- 4.29 For the HIF to be successful it is essential that MHCLG is convinced that the infrastructure elements are deliverable within budget and within time. Linked to this requirement is the need to demonstrate certainty that if the HIF bid is successful there is a guarantee that the housing comes forward at pace and volume. The delivery of the HIF outputs, alongside the housing numbers, will require bespoke management and governance options to be in place. The Project Management options will be developed and tested within the Management Business Case and funded through HIF. The Management

model will be Council-led, aligned to RCET structures and Council governance and procurement procedures. The resources secured will be in place until 31 March 2023 (the current closure date for all HIF spend). A Statement of Common Ground is being progressed as a means of developing robust governance structures between the key landowners: the Hoo Consortium and the Council.

5. Risk management

5.1 Risk Table:

Risk	Description	Action to avoid or mitigate risk	Risk rating
May not be successful with funding bid	If the funding submission is not robust then the bid could be unsuccessful and this level of growth will not be achievable on the Peninsula.	Work has taken place through the co-development stage of the bid to ensure that the bid submitted is supported by Homes England and MHCLG. It has been tested through this process and is robust.	DI
Costs of works are higher than grant applied for/Grant received is less than applied for	If the works are higher than estimated there will not be enough funding to complete all of the works required, there is also a risk that the grant could be reduced to the "do something" option.	Work has taken place within the costs submitted for the bid to ensure an element of risk, as well as certain contingencies have been included. However, should the grant be reduced, then there is a possibility that the works would need to be reduced and the rest of the works completed with S106 or other funding.	DII
Delivery of sound Local Plan	The emerging Local Plan is considering a large amount of new homes on the peninsula and will require additional infrastructure funding.	HIF officers have worked closely with Local Plan officers to ensure that their requirements have been taken into consideration and are included within the HIF Bid.	DII
Completion of works & spend of funding by March 2023	The bid is to be submitted by 1 March 2019 with a decision to be received in May 2019. There is a risk that the decision could be delayed as the majority of the bids will be submitted in March. If this delay is not added to the deadline for the spending, then there is a risk that this deadline will not be met.	The team are continuing work on the rail and road elements, moving forward with GRIP 2 for the rail and RIBA 3 & 4 for the road in order to still be able to complete all of the necessary design works required to complete the works by March 2023.	DII
Realisation of benefits by March 2043	The main benefit that Homes England and MHCLG are interested in is the delivery of homes. The Medway HIF bid is based around infrastructure and how this unlocks housing, but the housing delivery is not within Medway Council's control.	Officers have worked closely with the Local Plan team as well as developers and land promoters within the Hoo Peninsula. A successful bid and associated housing numbers will be reflected in the Local Plan and a Statement of Common Ground is being considered with the Hoo Consortium.	DII

6. Consultation

- 6.1 During formal consultation for the Local Plan held in 2016, 2017 and 2018, residents and businesses stated their concerns around traffic generation and congestion, and other services and infrastructure requirements. The Council received responses specifically calling for the reinstatement of rail services for passengers, whilst members of the public frequently raised the potential role of the freight line with Planning officers at public exhibitions.
- 6.2 The Kent Community Rail Partnership supports a passenger rail connection for Hoo.
- 6.3 Network Rail supports the HIF Bid. At their Stakeholder Forum in November 2018, they highlighted 3 schemes and the Hoo Peninsula scheme was one of them; this work has also been included in the Kent Route Study.
- 6.4 The Planning Service will carry out further consultation in association with the preparation of a development framework for Hoo and the draft Local Plan. Greater certainty on the HIF bid will provide confidence to local residents and developers on the potential approach to growth on the Hoo Peninsula, and the principles that will form the basis of the development.
- 6.5 The HIF team will coordinate a programme of public and stakeholder consultation with the Local Plans team that will take place following the submission of the HIF bid. In addition, the proposed HIF interventions will follow the Planning process, requiring further detailed consultation. A consultation programme will support the draft Local Plan, due to be published in Summer 2019, following the outcome of the HIF bid.

7. Financial implications

- 7.1 The delivery of the HIF bid, if successful and awarded will be funded from the proposed £170m budget and would therefore be externally funded. At its meeting on 19 July 2018, the Council agreed to the addition of up to £750,000 to the revenue budget, initially funded from reserves, with this sum sufficient to cover the first phase of work necessary to complete the bid submission. At its meeting on 24 January 2019, the Council will be asked to approve the addition of a further £445,000 to the revenue budget to enable the completion of the second phase of work to ensure the Council's final Green Book business case is robust. As noted in the Council report, with this work being carried out in advance of the bid being approved, this funding is at the Council's risk. As laid out earlier in the report, if there are any elements that need additional work and funding, this can be sought from S106 as houses are delivered.

8. Legal implications

- 8.1 In the event of a successful HIF bid there will be a legal agreement between MHCLG and Medway Council which would include the final budget, outputs, timescales and legal obligations of both parties in delivering the HIF proposal.

9. Recommendations

- 9.1 Cabinet is asked to approve the submission of the Housing Infrastructure Fund bid to the Ministry of Housing, Communities and Local Government on 1 March 2019 for up to £170 million.
- 9.2 Cabinet is asked to delegate authority to the Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive, in consultation with the Leader, to agree the final submission of the HIF Bid, as detailed within the report.
- 9.3 The Cabinet is asked to delegate authority to the Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive, in consultation with the Leader, that following submission of the bid, to liaise with Homes England to make any required changes to the HIF bid prior to the MHCLG's final decision on the outcome of the bid.
- 9.4 The Cabinet is asked to agree that recommendations 9.1, 9.2 and 9.3 are considered urgent and therefore should not be subject to call in.

10. Suggested reasons for decision(s)

- 10.1 To enable the HIF Bid to be submitted to the Ministry of Housing, Communities and Local Government on time.
- 10.2 To secure funding for the future infrastructure required to enable the development of 12,100 homes by 2043 on the Hoo Peninsula.

Lead officer contact

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FOR INFORMATION PAPERS

FOR INFORMATION ITEM A

Subject: Future Meeting Dates for KMEP and SELEP

KMEP Board Meeting Dates

The next Kent & Medway Economic Partnership meeting date is:

- Tuesday 25 June 2019 – Village Hotel, Maidstone
- Tuesday 24 September 2019 – Village Hotel, Maidstone
- Tuesday 26 November 2019 – Hilton Hotel, Maidstone
- Tuesday 28 January 2020 – Hilton Hotel, Maidstone
- Tuesday 17 March 2020 – Hilton Hotel, Maidstone

Each meeting starts at 5pm and finishes at 7pm.

SELEP Strategic Board Meeting Dates

The SELEP Strategic Board meeting dates are:

- Friday 28 June 2019
- Friday 4 October 2019
- Friday 6 December 2019
- Friday 20 March 2020

All meetings will be held at High House Production Park and start at 10am.

SELEP Accountability Board Meeting Dates

The future SELEP Accountable Board meeting dates are:

- Friday 12 April 2019
- Friday 7 June 2019
- Friday 13 September 2019
- Friday 15 November 2019
- Friday 14 February 2020

All meetings will be held at High House Production Park and start at 10am.

SELEP AGM

- Wednesday 17 July 2019 – Venue and exact timing TBC.

Please note for information B item is circulated in a separate attachment.