

BOARD MEETING

Approved



Minutes of the Thames Gateway Kent Partnership Board Meeting held in the Darwin Room, Innovation Centre Medway, from 2.30pm to 4.30pm on **Tuesday 24 February 2015**

Board Members and Observers Present:

Rob Bennett, BBP Regeneration (Chair)
Cllr Mark Dance, Kent County Council
Cllr Rodney Chambers, Medway Council
Kamal Aggarwal, Thomson Snell and Passmore
Ann Komzolik, North West Kent College
Naisha Polaine, Homes and Communities Agency
David Simms, Lafarge Tarmac
James Speck, Kent Science Park

Also Present:

Neil Davies, Medway Council
Barbara Cooper, Kent County Council
Ross Gill, Kent County Council
Graham Harris, Dartford Borough Council
Abdool Kara, Swale Borough Council
David Liston-Jones, Thames Gateway Kent Partnership
Richard Longman, Thames Gateway Kent Partnership
Jonathan Sadler, Homes & Communities Agency
Linda Searle, Thames Gateway Kent Partnership

Apologies:

Cllr Andrew Bowles, Swale Borough Council
Cllr Jeremy Kite, Dartford Borough Council
Cllr John Burden, Gravesham Borough Council
David Hughes, Gravesham Borough Council
Professor Tom Barnes, University of Greenwich
Rehman Chishti MP
Robert Goodman, Bluewater
Andrew Pearce, Environment Agency
Paul Whittlesea, DCLG
Iain McNab, BIS

1. Welcome and Introductions

1.1. The Chairman welcomed attendees and recorded the apologies.

2. Minutes of TGKP AGM and Board Meeting on 18 November 2014 and Matters Arising

- 2.1. The minutes of the 18 November AGM were agreed. On matters arising, the review of TGKP would be on the agenda of the next Board meeting which had been rescheduled for 17 June.
- 2.2. The minutes of the 18 November Board meeting were agreed. On matters arising:
 - 2.2.1. Para 2.1, an update on the What Works Centre was in the Chief Executive's report.
 - 2.2.2. Para 2.1, the proposed visit from Penny Mordaunt MP was covered in the Chief Executive's report.
 - 2.2.3. Para 3.5, covered by item 4 on this agenda.
 - 2.2.4. Para 4.6, strengthening the project pipeline was discussed at the 2 February Officers' Group, and was covered in the Chief Executive's Report.
 - 2.2.5. Para 6.1, no comments had been passed to HCA on the content and format of reports.
 - 2.2.6. Para 6.4, the weblink for the Builders' Finance Fund (BFF) had been circulated to the Board; and Para 6.5, the BFF had been promoted at the 10 December TGKP Business Breakfast.

3. Kent and Medway Economic Assets : Programme Update - paper by Homes and Communities Agency – Paper TGKP(15)1

- 3.1. Jonathan Sadler gave a presentation to amplify his paper. HCA investment in Kent & Medway economic assets from 2012-16 would be £23.4m, receipts 2013-17 were expected to be £35.9m, plus a further £46m in future years.
- 3.2. The Northern Gateway sites and The Base Innovation Centre in Dartford had been sold. Re-evaluation of flood risk by the Environment Agency had delayed marketing the Unwins site: this would now be in 2015-16. Marketing the Station Mound and Co-op sites in Dartford had commenced.
- 3.3. At Northfleet, once the land raising works had been completed there was no further de-risking investment proposed. The site was within the boundary of the proposed UDC.
- 3.4. At Queenborough & Rushenden, the commercial sites (e.g. Neats Court) were making good progress. The residential component was more challenging. Demolition (of old foundations) and land raising works had commenced, and was expected to be finished in Autumn 2015. The site would then be marketed.
- 3.5. In Medway, development at the Fishing Village on St Mary's Island was approaching completion: all units had been sold, many off plan. The remaining residential development on St Mary's Island had planning consent, the £3m investment in the interface land was approaching completion and work was progressing to transfer assets to the Chatham

Maritime Trust (the HCA's exit strategy). Site J7 was being marketed, and a preferred developer appointed for Pumphouse No 5. At Rochester Riverside, the whole remaining site (except for Stanley Wharf) was being marketed as one package.

- 3.6. In discussion, HCA was pressed again to ring-fence receipts from Kent & Medway assets for investment in Kent & Medway. Naisha Polaine explained that HCA receipts were already factored into DCLG and HM Treasury commitments: any bid for any extra resource would need to demonstrate the additionality it would deliver, and routed through LEP Growth Deal negotiations. The HCA was pressed on local partners' need for their support in finding solutions attractive to Government to address the viability problems associated with brownfield sites, such as Queenborough & Rushenden. The HCA advised that Government was unlikely to be persuaded unless local partners, through the LEP, could demonstrate much clearer prioritisation of schemes and incorporate early delivery of outputs/outcomes. **Action: The Board concluded that some work should be done to marshal the case to be put in front of the Government after the May elections.** The work commissioned by KCC from AECOM costing out infrastructure needs would be pertinent.
- 3.7. Jonathan Sadler announced that he was leaving the HCA, and the Board expressed its thanks and appreciation of his contribution to regeneration in North Kent over many years. Mike Goulding will be taking over Jonathan's role from 1 April.

4. **Backing the strategic opportunities for North Kent – London Paramount - Paper TGKP(15)2**

- 4.1. David Liston-Jones introduced the paper, which had been produced jointly with Ann Komzolik. Since previous discussions on this topic by the Board and the Officers' Group, more detail had emerged about work commissioned by LRCH to examine socio-economic issues, including skills and training implications. This work was being led by Volterra. In light of this, the paper proposed that TGKP's focus should be on the offer it could make to LRCH in terms of brigading and coordinating engagement with public agencies, and designing initiatives to assist with recruiting and training the workforce. Local partners had a successful track record in this area, such as setting up the Bluewater Learning Shop. In return we would be seeking transparency about LRCH's specific requirements so as better to see how we could assist.
- 4.2. David said that a draft letter for Rob Bennett, as TGKP Chairman, to send to LRCH was attached to the paper at Annex A for the Board to consider. In discussion it was argued that the approach to LRCH should be in fairly open terms, recognising the stage they were at in preparing their development consent application. **The Board agreed** that Rob Bennett should write to Dr Abdulla Al-Humaidi, Director, LRCH, to suggest ways TGKP could work with LRCH. **Action: David Liston-Jones to revise draft letter in light of the Board's comments and submit to Chairman for approval, and issue.**

5. **KMEP and the sub-county arrangements – Paper TGKP(15)3**

- 5.1. Ross Gill introduced his paper, looking at the relationship between the sub-county partnerships, such as TGKP, and KMEP. The options for strengthening TGKP's relationship with and influence within KMEP might include developing a stronger project pipeline, clear investment priorities, aligning board membership and tracking impact of KMEP/LGF investment outcomes on TGKP strategic objectives.
- 5.2. In discussion it was argued that, in terms of the share of LGF resources secured to date, whilst Medway had performed relatively well, the priorities for the rest of North Kent, and in particular for Swale, had not received comparable support. It was pointed out that Dartford and Gravesham would benefit from the infrastructure investment associated with the new UDC. The work on the project pipeline (covered in the Chief Executive's report) was intended both to improve the readiness of investment proposals and help decisions on priorities.
- 5.3. In discussion, there was an overall perception that TGKP had neither the influence nor representation on KMEP that it should, and that the current arrangements such as the 'pairing' of authorities did not work well for the partnership. It was suggested that, post elections, TGKP needed to have a healthy debate on the sub-county arrangements and, more broadly, on governance/representation issues including TGKP's role and position in the wider LEP/KMEP context. **Action: The Board agreed that examination of these questions should be built into the post-election review of TGKP.**

6. **Government consultation on 'Building more homes on brownfield land' – Paper TGKP(15)4**

- 6.1. Richard Longman introduced his paper summarising the Government consultation proposals under which local authorities would be required to bring forward local development orders (LDOs) on brownfield land suitable for housing, with penalties imposed where targets were not met. The paper argued that the proposals had a number of drawbacks and the recommended line of response was that the Government should be urged to re-think its approach.
- 6.2. In discussion, Board Members echoed the drawbacks identified in the paper. The proposals seemed based on a false presumption that local planning authorities were holding back brownfield land. In practice, Board Members felt that few sites could be classified as unconstrained. Physical and environmental challenges went with the territory; North Kent partners had a history of bold policy decisions promoting brownfield redevelopment. Issues around viability and community infrastructure were the main uncertainties that held back even consented sites. LDOs could if anything slow things down. The real costs could be substantial and if the Government went ahead it should be treated as a new burden. Board Members took a more favourable view on the principle of transparency, with local authorities making available information about brownfield land in their area.

- 6.3. **Action: The Board agreed the proposed handling, with a detailed response cleared by the Officers' Group and signed off by the Chairman.**
7. **Access to finance for business from 2015-2016 - Paper TGKP(15)5**
- 7.1. Ross Gill gave an update on current thinking about a future access to finance programme to succeed TIGER, Expansion East Kent and Escalate West Kent. Decisions would be needed on the focus for the programme and criteria, as well as metrics: the jobs measures used for the RGF schemes perhaps suited the post-recession context but, in future, measures such as productivity or value-added might be more appropriate. The profile and scale of recycled funds indicated that separate funds might not be viable: we needed to find a workable solution that addressed the expectation that funds would be recycled within the area they were generated. Other issues to consider included whether to levy an arrangement fee, and whether to run competitive bidding rounds or continuous market engagement.
- 7.2. In discussion, Board Members felt it was important to establish whether there was an ongoing market failure that an access to finance programme would help address. The present experience was that banks were continuing to seek a high level of securitisation: the RGF schemes had been able to de-risk loans meaning that smaller guarantees were required. As well as looking at what scale of funding might be appropriate, the new programme should review what sectors might be eligible, including looking at the merits of creative industries and health and social care.
- 7.3. The business case for the £6m 'growth hub' allocation from SELEP would be worked-up separately and in parallel with these proposals, but with the intention that these could be merged into a single programme.
- 7.4. **Action: Any further comments to be sent to Ross, who would prepare a revised paper for the Tiger Strategic Board on 5 March.**
8. **Updates on current issues from members, including HCA Update - paper TGKP(15)6**
- 8.1. The Board noted the contents of Naisha Polaine's update paper. Naisha drew attention to the 2nd round of Care & Support funding and the Homeless Change Programme that would be announced shortly.
9. **Chief Executive's Report – Paper TGKP(15)7**
- 9.1. Visit from the Thames Gateway Minister, Penny Mordaunt, on 12 March. David Liston-Jones said that arrangements were still being confirmed with DCLG, but the visit would be for the afternoon only. The likely itinerary would be a round-table discussion held at the Innovation Centre, followed by site visits and, subject to confirmation, attendance at the KCC-hosted evening event at Maidstone Studios. **It was agreed** that, given the time constraints, the site visits should focus on Medway and Swale on this occasion. **Action: David LJ to firm up the itinerary, invite Board Members to the round-table discussion, and provide Board Members with a short briefing note on key points for the discussion.**

- 9.2. Possible extension of Crossrail to North Kent. The Board acknowledged that Government had committed to review transport access to Ebbsfleet, including Crossrail; but it was important to look at the bigger picture across North Kent, and particularly factoring-in London Paramount. It was argued that the chief physical constraint on any extension was Dartford Station. **Action: The Board agreed that representations should be made on its behalf by the Chairman to Government, including an offer of joint working e.g. with the new UDC, to re-examine the business case.**
- 9.3. Consultation on change of North West Kent College name. **The Board agreed that TGKP should respond that it was content with the proposed change of name to North Kent College.**
- 9.4. Other items in the Chief Executive's report were **noted**.
- 10. Budget Report** – Paper TGKP(15)8
- 10.1. The Board **noted** the Budget Report.
- 11. AOB**
- 11.1. David Simms advised that this would possibly be his last meeting as Lafarge Tarmac's representative on the Board. On behalf of the whole Board, the Chairman expressed the Board's thanks and appreciation of David's contribution to TGKP's work and wished him well for the future.
- 11.2. There being no other business, the meeting finished at 16:45.

Thames Gateway Kent Partnership
February 2015