

**CHAIRMAN'S REPORT 2015 - Paper TGKP(15)19**

**Introduction**

1. I am pleased to report on the activities of the Thames Gateway Kent Partnership over the last 12 months.
2. As in previous years, I would like to begin by expressing my thanks to all Board Members, and their advisers, for the time and effort they have put in, and for their continued commitment and positive contributions to the Partnership's work over the year. This has taken place not just in the TGKP Board meetings but also in the TGK Officers' Group, in the TIGER Strategic Board and in many other ad hoc meetings.

**Background and Context**

3. The General Election and local elections in May were the key events in setting the political and strategic context in which the partnership has operated during the year. I was pleased that the new Government quickly indicated its continued support for the Thames Gateway initiative through the appointment of the Rt Hon Mark Francois MP as the new Thames Gateway Minister. I was also pleased to welcome the new Minister to North Kent and to our TGKP Board meeting in September. A further indication of Government support for North Kent has been through the establishment of the Ebbsfleet Development Corporation (EDC), demonstrated most recently in the £310million announced in the Chancellor's Autumn Statement to support the delivery of Ebbsfleet Garden City. I am delighted that Robin Cooper, the EDC's Chief Executive, has joined TGKP as the Corporation's representative on our Board.
4. Inevitably a new Government brings change and, initially, a period when policies are being reviewed and developed. The debate on the future of the LEP geography added to that uncertainty, but I believe we are now clearer on the strategic policy and organisational landscape. We can now move forward with a clear focus on delivery.
5. That is not to say there has not been delivery on the ground over the last 12 months. I was struck by the significant progress that is being made when reading the recent update to the Partnership's Plan for Growth. Let me quote just a few examples:

- New housing is being delivered right across North Kent, such as at the Northern Gateway in Dartford, in Eastern Quarry at Ebbsfleet, and in the final phase of development on St Mary's Island. Overall, housing starts in North Kent in 2014/2015, at over 1500, showed an encouraging increase over the previous year. There is, though, much still to do - starts are below the rate required to meet our twenty year target, and completions have yet to show similar signs of picking up.
  - The way is now clear for two major town centre regeneration and redevelopment schemes to go ahead in 2016 – the Heritage Quarter development in Gravesend and the Spirit of Sittingbourne town centre redevelopment.
  - The new Rochester railway station is approaching completion and scheduled to open in mid-December, immediately next to Rochester Riverside site. Medway Council is procuring a development partner for this flagship scheme, delivering 1400 homes and significant commercial floor space, and the preferred developer should be announced by the end of the year.
  - At Chatham Waters the new Medway University Technical College opened in September with its first intake of nearly 200 students. Mark Francois was very impressed with the college, and with the students he met, when he visited the UTC in September.
  - Much needed new commercial space is being created – at Queenborough and Rushenden the first two phases of commercial retail-led development at Neats Court are complete and occupied, creating around 400 new jobs. At Watermill Wharf in Medway a new development of 24 units of modular business space is being created.
6. I remain optimistic about the economic future for North Kent. The economic indicators are generally pointing in the right direction. Year-on year employment growth has been positive across North Kent – up 3.1% in 2014, just marginally below the national average rate. Unemployment, as measured by the number of claimants, is continuing to fall though the overall rate in Thames Gateway Kent, at 1.7%, is still higher than the national average and 0.4% higher than Kent and the South East as a whole. The steady growth in the number of businesses in North Kent continues; up by 9.4% in 2015 to 18,795 which is significantly better than the national growth rate of 8.4%. But again there is still a long way to go. The number of active enterprises per 1000 working population at 49.1 remains well below the national figure of 60.2.

### Partnership Highlights

7. In terms of the Partnership's work there have been a number of highlights this year. For example:
- TGKP led the development and coordination of our recent **Enterprise Zone bid**, and I am delighted that the **North Kent innovation Zone** was one of the successful bids announced in the Autumn Statement last week. The NKIZ will

strengthen the Kent Innovation Corridor and has the potential to create 9,900 new jobs by 2027. It links proposals for new commercial development at the Rochester Airport Technology Park, at sites in Ebbsfleet Garden City, and at the Kent Medical campus in Maidstone. I would like to thank Richard Longman in the TGKP team, colleagues in the local authorities and in the Ebbsfleet Development Corporation for their hard work in preparing the bid.

- we have **put the Partnership's views robustly to Government** on topics ranging from rail capacity in North Kent - including the need to look again at the case for extending Crossrail to Ebbsfleet and Gravesend - through to constructive criticism of the previous Government's plans for development on brownfield land.
- we hosted **two well-received visits by Thames Gateway Ministers** – Penny Mordaunt MP in March and, as already mentioned, Mark Francois MP in September;
- Board members, and the TGKP team, have supported the work of the **Thames Gateway Strategic Group**. The first meeting since the election took place in September with a second meeting planned for January focusing on transport infrastructure, with both the Thames Gateway Minister and a Transport Minister scheduled to attend;
- the **TIGER loan scheme** has successfully committed and fully defrayed its £14.49m funding, assisting 51 companies North Kent and Thurrock in key sectors such as manufacturing, low carbon, media and creative, technology development and ICT. I am very grateful to all concerned, and in particular to Mark Dance as chair of the North Kent Approvals Panel and to Jacqui Ward and her programme management team at Kent County Council;
- the Partnership spent some time earlier in the year developing its thinking on how best to support the plans for the **London Paramount leisure resort**, and to see how we can ensure that local residents and businesses are well placed to benefit from the huge opportunities that would arise. I wrote to the London Resort Company Holdings (LRCH) in April to explore the scope for the Partnership working with LRCH to assist them in meeting their requirements in terms of skills, workforce and supply chain provision for the leisure resort.
- the twice yearly series of TGKP **business breakfast** meetings is now well established and proving to be very popular. These events are an important way for us to keep in touch with the business community, and our next business breakfast is taking place very soon on 8 December;
- in October we sponsored and exhibited at the **North Kent B2B** event, held this year for the first time at Brands Hatch. The seminar TGKP ran included a presentation from the Ebbsfleet Development Corporation on the plans for Ebbsfleet Garden City.

### **TGKP Board Membership**

8. Following the local elections Cllr John Cubitt became the new Leader of Gravesham Borough Council, and we are very pleased to welcome John as the council's representative on the TGKP Board.

9. During the year, two of our long-standing members retired - David Simms from Lafarge Tarmac (now Tarmac) and Professor Tom Barnes from the University of Greenwich. The Board is very grateful for the contributions that both David and Tom made to the Partnership's work over many years. The arrangements for David Simms replacement as Tarmac's representative on the Board are currently being finalised. Tom Barnes' replacement as the HE representative is Dr Martin Davies, University of Greenwich. We welcome Martin who has already taken his seat on the Board.
10. Finally, as mentioned above, the Ebbsfleet Development Corporation has become a member of the Board, and we welcome Robin Cooper as the Corporation's representative.

### **TGKP Budget**

11. TGKP's income for 2015/2016 is forecast to be £219,000. A budget has been set for the year of £264,231. Actual expenditure for the year will depend on how much of the discretionary activities budget is utilised, but the current forecast is for an outturn of £258,861. The excess of expenditure over in-year income can be accommodated through utilising some of the Partnership's accumulated reserve.
12. I am very grateful to the five local authorities for their financial support for the Partnership.
13. The Board has received regular budget monitoring reports and I am grateful to Medway Council for providing the financial services.

### **Legal and Human Resources Support**

14. I would also like to thank Medway Council for continuing to provide legal services and Swale Borough Council for providing HR support to the Partnership.

### **TGKP Executive Team**

15. There have been no changes to the TGKP team during the year. I would like to thank the three members of the team – David, Richard, and Linda - for their continued hard work and commitment.

### **Looking forward to 2016**

16. The key issue in the first half of next year will undoubtedly be the consultation and, I hope following quickly afterwards, the Government's decision on the route of the Lower Thames Crossing. Despite the understandable and respected differences of view that are held within the Partnership on the preferred location for the Crossing, I believe it is important for the Partnership to submit a robust, considered and well-argued response to the consultation. This is the most

important decision for North Kent in a generation. It will shape the direction of the North Kent economy for many years to come and, as the Partnership established specifically to promote sustainable economic growth in the area, TGKP must rise to the challenge and put its views across clearly to Government.

17. But that will by no means be the only issue we face in 2016. Other priorities for me include:

- strengthening our links with the business community. As well as hosting as our business breakfasts, and sponsorship of the North Kent B2B, I would like us to focus in more depth on the needs of our key industry sectors in North Kent, to understand properly each sector's specific requirements and concerns, so that we can respond to these in our plans and actions. We had a helpful discussion on ways in which we might approach this task at the recent meeting of the Board's private sector members, and I want to work with them to develop these ideas further over the coming months;
- now that the future geography of the LEP has been settled, we need to continue to develop our relationship with both KMEP and SELEP as these partnerships evolve, so as to ensure that North Kent has a clear voice and that the priority status of this growth area, part of the Thames Gateway, is recognised when it comes to decisions on funding - both domestic funding and wider EU funding;
- working with partners, and following the success of the TIGER scheme, we need to ensure that new access to finance arrangements are put in place to support North Kent businesses that want to grow and create new jobs. Similarly we must support the introduction of the new business support Growth Hub to ensure it meets the needs of businesses in this area; and, finally,
- we must boost the profile of the Thames Gateway and recognition of the area as a national priority area for growth. Working in partnership with central Government and with partners in London and South Essex, we must inject new momentum to the work of the Thames Gateway Strategic Group. In his recent letter to Sir Edward Lister Mark Francois reiterated his commitment to working with TGSG to shape the future of the Gateway and we should respond positively to that offer of engagement.

18. It has again been a great privilege to serve as TGKP's Chairman, and I would like to take this opportunity to thank you all for the help and support you have given to me over the last year. I look forward to working with you in addressing the challenges and opportunities that 2016 brings.

**Rob Bennett**  
**Chairman, Thames Gateway Kent Partnership**  
**November 2015**