

SB02-01

North Kent Enterprise Zone Strategic Board

Approved Minutes of the 1st Meeting held on Friday 9 September 2016, Darwin Room, Innovation Centre Medway

1. Welcome, Introductions, and Purpose and Functions of the Board

1.1. Welcome and Introductions

1.2. Present: Paul Wookey (Interim Chair), Kevin Burbidge (substituting for David Hughes), Adam Bryan, Cllr Rodney Chambers, William Cornall, Martin Davies, John Foster, Alex Hicken, Richard Hicks, Dave Hughes (substituting for David Smith), Cath Goodall, David Liston-Jones, Richard Longman, Paul Spooner, and Linda Searle.

1.3. Paul W welcomed members of the Strategic Board and observers to the meeting. Martin Davies advised that as he was moving on next month from the University of Greenwich, this would be his first and last meeting.

1.4. Richard Longman advised there had been a slight revision to the Agenda and his presentation would be given at Item 2.

1.5. Purpose and Functions of the Board – paper SB01-01

Richard L introduced his paper, which explained its role and relationship to the Local Delivery Boards and LEP. **The Strategic Board duly endorsed its purpose and function as set out in Richard's paper.**

2. Overview and Update on the Status of Sites – Presentation (circulated separately)

2.1. Richard L introduced his presentation, which summarised the bid to Government, what we are trying to deliver, and the key milestones on the delivery timetable. He invited scheme representatives to add their observations and updates on progress.

2.2. It was proposed and **agreed** in general discussion that NKIZ should be re-named as North Kent Enterprise Zone to capitalise on the status of the enterprise zone brand within Government (as a policy priority) and as a device for marketing to different audiences including international (engaging with UKTI/DIT). It would also be important to present NKEZ as part of, and as a catalyst for, the wider offer in Kent & Medway. We need to think further about whether the 'Kent Innovation Corridor' construct fits the bill.

2.3. Updates from Scheme Representatives

- Ebbsfleet (Paul Spooner). The different sites will be addressing different needs: local and regional pressures at Northfleet Riverside, addressing the pressing need for commercial space in Gravesham; and more of a national market at Northfleet Rise/Ebbsfleet Central. On present trajectories it is not likely that business premises will be available before mid 2019, so any marketing activity needs to be paced accordingly. Kevin Burbidge added that Gravesham Borough Council was working with the EDC on a joint venture proposal for Northfleet Riverside East: this has Cabinet support and, subject to due diligence, will be recommended to full Council.
- Rochester Airport (Rodney Chambers & Richard Hicks). Medway Council were not yet actively marketing the site but was getting expressions of interest from companies. LGF2 funding of £4.4m had been secured for the Phase 1 works and a bid for £3.7m of LGF3 was with Government for Phase 2. Consideration of a re-submitted planning application depended on completing an Environmental Impact Assessment, pushing the timetable into 2017. Richard H

emphasised the importance of the local Delivery Boards in driving the schemes forward. For RATP, the delivery board included partners such as BAE, the Airport company, and University of Greenwich. There was firm commitment to try and attract high-GVA jobs and high-value employment. If planning hurdles persist there might be an ask of Government to help resolve things.

- Kent Medical Campus (Alex Hicken). Alex emphasised companies' wish for definitive delivery timetables, hence the need to stick to promises to instil confidence and certainty. KMC had outline planning permission (which needed to be renewed): it was important that this offered flexibility to respond to market conditions. EZ status had been decisive in securing the Cygnet development: it was a definite marketing plus. There is market demand for 30,000 sq ft premises: this might require speculative build at KMC, but funding could be challenging. Meanwhile, the on-site infrastructure is going ahead and Cygnet's start on site should be in October. The LGF3 bid for improvements around Junction 7 of the M20 was crucial for the longer-term build-out of the site.

3. Terms of Reference (ToR) for the Strategic Board – Paper SB01-02

3.1. Approval of the ToR

3.2. Richard L advised the Terms of Reference (ToR) was about how the Board functions and the decision-making process should so far as possible be by consensus. The ToR will be adopted subject to approval by the Strategic Board.

3.3. In discussion, it was agreed that the Strategic Board should be light touch, with key roles around monitoring and challenging local performance on delivery, coordinating and reporting information (including to KMEP and SELEP), and acting as a conduit for engagement with Government. In relation to investment strategy, the Strategic Board might make recommendations to local Delivery Boards and package the collective proposals, but investment was primarily a matter for the local Delivery Boards.

3.4. Richard H endorsed the proposition that the Chair should be from the private sector, and raised the suggestion that the vice-Chair position might perhaps be from the public sector, which might also help in building links with KMEP and SELEP.

3.5. **The Board agreed the following actions:**

- **Colleagues were asked to raise any further comments, queries or clarifications to Richard L by email within the next two weeks (by 23 September).**
- **The quorum for the Board should be 5, including the Accountable Body.**
- **Any suggestions for Chair and Vice-Chair should be put forward for confirmation at the next meeting.**
- **Any matters requiring decisions between meetings could be done according to the electronic procedure proposed in the TOR.**

4. Accountable Body Role – Paper SB01-03

4.1. Given the light-touch nature of the Strategic Board and the expectation that expenditure at the strategic level would be limited, the Accountable Body role should not be unduly onerous. Other responsibilities would include any contractual or financial matters, ensuring propriety, and ensuring monitoring obligations are fulfilled on time. The Board endorsed the offer from **Maidstone Borough Council to be the Accountable Body for NKEZ.**

4.2. Essex CC had offered to assist whoever was chosen as accountable body for NKEZ with the nuts and bolts of what the role involves, based on their experience with SELEP. William C gratefully

accepted that offer. **Action: Richard L to provide William C with contact details at Essex CC and arrange initial meeting (including Adam B if appropriate).**

5. Implementation Planning – Paper SB01-04

- 5.1. The Project Group set up almost a year ago was doing preparatory work on an Implementation Plan for the NKEZ. The paper outlined some of the territory we might want the final implementation plan to cover: Richard L emphasised that the main burden of implementation planning was at the local scheme level; the overall plan needed to pull these into a coherent whole.
- 5.2. With the last week DCLG had advised that they wanted to see a draft implementation plan by the end of September: the original request, made in April, had never been sent to NKEZ contacts. Cath Goodall apologised for the lapse in communications, and explained that the draft implementation plan was expected to be work in progress, not the finished article. The final plan would be required by the end of March 2017. The draft did not require any formal sign-off; but Government looked to the plan for reassurance about the EZ's progress.
- 5.3. Board members observed that even if the draft did not go near Ministers, it would influence the perception of NKEZ within C&LGU, therefore it was important to submit as developed a draft as we can. John F queried whether the draft implementation plan would affect consideration of LGF bids; Cath advised that the importance to the EZ of the bids affecting Rochester Airport and M20/J7 had been noted in the SELEP submission. Cllr Chambers and William C both observed that it was important that Whitehall Departments were coordinated in their support for EZs, for instance on planning matters. The draft plan should say as much as we could about the emerging commercial proposition.
- 5.4. **The Board noted the report and endorsed the following actions:**
 - **Richard L to circulate the request from DCLG and commission inputs for the draft plan with a timetable for responses to allow submission by 30 September;**
 - **Board members and project group colleagues to identify asks of Central Government;**
 - **Richard L to liaise with contacts (e.g. Andrew Harfoot) regarding detail on the commercial proposition for sites.**

6. Memorandum of Understanding (MOU) – Paper SB01-05

- 6.1. Richard L advised the MOU would be working to the same timetable as the draft Implementation Plan. This needed to give an outline of the Investment Strategy, marketing, resourcing and timescale and would need sign-off by local authorities and SELEP etc. Richard would circulate a draft in the week beginning 12 September. For SELEP clearance purposes, a paper would be taken to the Accountability Board on 16 September and a further paper to the SELEP Strategic Board on 23 September seeking endorsement of the process agreed at the Accountability Board (delegating authority to Adam Bryan to sign off on behalf of SELEP).
- 6.2. On the substance, Richard L drew attention to the proposed modification of wording in the template to be consistent with the bid. Paul Spooner advised that this should be made even more explicit, to emphasise that retained business rates growth would be in the local authority areas where the sites were located. The wording suggested in para 6.1 of the paper should be amended to read “...*providing that such sums are directed towards the development of the Enterprise Zones and into infrastructure and services to support enterprise and growth within those areas*”. Adam B advised that SELEP would have no problem with this: it was consistent with the approach at Harlow.
- 6.3. **The Board endorsed the paper and proposed sign-off process, and agreed the following actions:**
 - **Richard L to circulate a draft MOU for comment by 16 September;**

- **Cath G to advise whether the ‘authorised signatory’ needed to be the Leader or the Chief Executive of local authorities.**

7. Investment Strategy – Paper SB01-06

- 7.1. Richard L explained that the investment strategy would be largely the sum of constituent plans for each of the schemes. The intention was for this part of the MOU to be based on this paper, supplemented by any further detail from the individual areas and subject to confirmation from DCLG that this would suffice as a high-level statement of intent. The Board did not feel at this stage that there was a case for commissioning external advice at NKEZ level: this was primarily a matter for each scheme.
- 7.2. Kevin B confirmed Gravesham BC’s intent to borrow against predicted retained business rates growth to fund delivery at Northfleet Embankment East. Alex H advised that evidence of public sector partners putting in investment would boost confidence amongst private sector investors.
- 7.3. **The Board endorsed the approach suggested in the paper and agreed the following actions:**
 - **Scheme leads should provide additional detail where possible for inclusion in the summary to be incorporated in the MOU and draft implementation plan;**
 - **Cath G to check with EZ policy colleagues to confirm whether outline is sufficient for present purposes.**

8. Marketing Strategy – Paper SB01-07

- 8.1. Richard L introduced his paper, which highlighted the two main strands of market research and marketing/branding. It was important to agree what should be done across NKEZ as a whole and what was more appropriate to individual schemes. Locate in Kent had offered to take a lead on scoping the marketing activity. Paul W referred to meetings he had had with Department for International Trade, who had also visited the individual sites. The next step with DIT would be bringing in sector specialists for discussions with each scheme individually. The commercial proposition for each site needs to be positioned within a broader offer that is more than the sum of its parts.
- 8.2. In discussion it was agreed that the ‘heavy lifting’ on marketing, including researching occupier markets and engagement with key sector players, should be led at local level; activity at NKEZ level should be lighter touch, to help ensure consistent and effective messaging and proactive PR strategy, including engagement with the property press. Martin D suggested that marketing messages for each site need to bring out the associated research and innovation strengths and linkages with HEIs. Thinking about the wider positioning would be wrapped up with consideration about the Kent Innovation Corridor (para 2.2). It was important to make the most of the national Enterprise Zone brand recognition – the agreed name change would assist with that. Paul S advised that Ebbsfleet were commissioning some occupier market research; KMC have already made good progress on market research with Springboard Marketing; there was a need for more market intelligence to inform the proposition at Rochester Airport where there was not currently an established sector cluster.
- 8.3. Marketing needs would evolve over the next 6 to 9 months. In the first instance, the priorities were to design overall branding, which local schemes can then also include in their own marketing materials, and to create a website. LIK would take the lead on these as part of their support to EZs in Kent, under their new contract. On the PR front, there should be a ‘no surprises’ approach, in other words all partners ensuring that other colleagues are kept in the loop on proposed announcements and publications etc. in a timely manner. A calendar of events and other milestones would be part of the overall marketing forward plan.
- 8.4. **The Board’s preferred approach translated into the following actions:**

- **Locate in Kent (Paul W) to acquire appropriate web domain(s) and initiate work on commissioning a website and overall NKEZ branding;**
- **Paul W to start the process of brokering local discussions with DIT sector specialists.**
- **Remit to the project group further discussion about brigading the various propositions and the Kent Innovation Corridor;**
- **Individual scheme leads to progress their own market research and marketing activity taking account of the overall branding as it develops;**
- **All colleagues to share information ahead of time about news and events relating to NKEZ sites.**

9. Staff Resources – Paper SB01-08

9.1. Examining the resources dedicated to delivering the MKEZ was partly about fulfilling an information request from DCLG, but chiefly about ensuring the resources were sufficient for the task. The summary in the paper understated the true situation, but was nonetheless based on partners' responses to date. It was clear that more than 0.7 FTE was required overall to deliver the NKEZ. There were also unknown factors at this stage and more clarity should emerge over the next 6 months. Richard L pointed out that NKEZ was occupying a significant proportion of his time, which had implications for other parts of TGKP's work programme. William C advised that Maidstone should be able to provide more support to Richard as required on any corporate/accountability elements of the work.

9.2. The Board noted the report and agreed the following actions:

- **Partners should review the resources committed to local delivery to ensure these were adequate and provide revised information to Richard L to incorporate in the MOU;**
- **In presenting the resource commitments to DCLG, there should be suitable references to the private sector commitments, e.g. at KMC.**
- **Richard L to incorporate revised resource information into the MOU and draft implementation plan.**

10. NKEZ Budgetary Requirements – Paper SB01-09

10.1. Richard L tabled a paper comprising a simple outline of possible expenditure that might be required at NKEZ level. The Board was asked to consider: (a) which elements should be pursued at this stage; (b) on agreed activity, what could we do ourselves (rather than need to commission); (c) for agreed expenditure, how should this be funded. The options for funding included partner contributions according to an agreed system; making a proposal to SELEP to draw down on their activities budget; and the prospect of bidding for consultancy funding from DCLG, expected to be announced later in the autumn.

10.2. Linked to discussion on marketing, the Board's preference was not to commission market research, which should be done locally, nor a marketing strategy. So far as possible, development of a marketing and communications strategy should make use of in-house Comms expertise. A suitable level of funding should be committed to website and branding. Paul S argued against commissioning consultancy on financial modelling: this is something local authority finance colleagues should be able to do, drawing as necessary on available case studies.

10.3. For the time being TGKP partners have agreed that a proportion of Richard L's time should be devoted to the Coordinator role, and Maidstone BC have agreed to make a proportional contribution. William C confirmed this and suggested that pooled contributions from partners would be Maidstone's preferred approach to meet future budget requirements.

10.4. Adam B advised that he had the necessary delegation to approve funds from SELEP's activities budget, but any funding proposal would need to be specific in terms of amount, purpose and outcomes.

10.5. **Actions:**

- **Paul W to initiate work on website and branding;**
- **Richard L to make contact with Comms leads to discuss initial approach to PR and communications.**

11. Chairmanship

11.1. There was consensus that the Strategic Board's Chair should be from the private sector and independent of any of the individual NKEZ schemes. Paul W was asked whether he would accept the nomination as the permanent Chair, but declined. He suggested it was important for the Chair to have strong connections into Government and bodies such as KMEP and SELEP. There were no other nominations forthcoming.

11.2. **Action: as per paragraph 3.5 above.**

12. Timetable – Paper SB01-10

12.1. Richard L tabled an illustrative timetable and explained its colour-coding; grey bars denoted 'knowns' (actions in progress or programmed); brown and amber bars denoted 'unknowns' or speculative timelines. The challenge for scheme colleagues was to work through the detail to firm up delivery timeliness as far as possible. As an example, the timeline for delivering development on the southern portion of Rochester Airport could be capable of acceleration. The outline also assumed that measures such as Local Development Orders for the airport would be progressed in 2017. The earliest date when business premises are likely to be occupied is 2018 (Cygnet on Kent Medical Campus); others will be pushed to achieve 2019, and those timelines could be delayed if LGF bids are unsuccessful or Brexit-related uncertainties (e.g. on procurement regimes) muddy the waters.

12.2. **Actions: scheme leads to develop more detailed delivery timetables and share with Richard L.**

13. Forthcoming Events

13.1. Martin Davies advised that one or two workshops would be held with university representatives (Greenwich, Kent, CCCU) to explore how the universities can engage with the enterprise zone drawing upon their research strengths and expertise. The first would be on 28 September.

13.2. Paul W reiterated the intention for a round of visits with DIT sector experts to advise on positioning and proposition-building, hopefully during October. He will be in touch with scheme leads about arrangements. **Action: Paul W.**

14. Future Meeting Dates

14.1. **It was agreed meetings would be held quarterly** and suggested the next meeting be held end of November. SELEP meets on 9 December and KMEP on 12 December, so this would allow outcomes from the Strategic Board to be reported as appropriate. **Action: Richard L to canvass for dates.**

15. AOB

15.1. Cath advised that a Risk Register would be helpful. Richard L responded that this would be included in the Implementation Plan.

15.2. No other business, the meeting closed at 12:25

12 October 2016