

SB08-01

## North Kent Enterprise Zone Strategic Board

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APPROVED Minutes of 7<sup>th</sup> meeting held on Tuesday 6<sup>th</sup> March 2018 in the Sunderland Room, Innovation Centre Medway.

### Board Members Present

Bernard Spring (Chair)  
Carole Barron, University of Kent (HE Rep)  
Cllr Rodney Chambers, Medway Council  
Simon Cook, MidKent College (FE Rep)  
Ellie Dunnet (Maidstone BC, Accountable Body)  
Dawn Hudd (for William Cornall), Maidstone BC  
David Hughes, Kent CC (for David Smith)  
Cllr Alan Jarrett, Medway Council  
Richard Longman, TGKP

### Apologies

Ian Piper, Ebbsfleet Development Corporation  
Adam Bryan, SELEP  
Alex Hicken, DHA Planning  
Richard Hicks, Medway Council  
William Cornall, Maidstone BC  
David Hughes, Gravesham BC  
Matthew Norwell, TGKP  
Paul Wookey, LiK  
David Smith, KCC

### Also attending

Tomasz Kozlowski, Medway Council  
Andrew Bramidge, Harlow Enterprise Zone  
Wayne Saunders, Medway Council (item 2)

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## 1. Welcome & Introduction

- 1.1. The Chairman welcomed Carole Barron as the new representative for the Higher Education sector following Prof Alan Reed's retirement, and Simon Cook as co-opted representative for the FE Sector. The Chairman also welcomed Andrew Bramidge, Project Director for Harlow Enterprise Zone, for item 2.
- 1.2. There were no declarations of interest.
- 1.3. Board Members were reminded that any items that were confidential (commercially or otherwise) should be identified as such for exclusion from the published minutes.

## 2. Lessons from Harlow Enterprise Zone – presentation by Andrew Bramidge,

- 2.1. Andrew gave a presentation covering the history of the Harlow EZ site(s), the evolution of the EZ, their experience with using Local Development Orders (LDOs) and their approach to investment. The main focus for the presentation and subsequent discussion was on the London Road sites (Kao Park and Harlow Science Park). The main site was previously the UK headquarters for the multi-national telecoms giant Nortel, which went bankrupt in 2009/10; at the same time, GlaxoSmithKline closed their plant in Harlow. (In July 2017 Public Health England announced the purchase of the GSK site for relocation and consolidation of their operations on a £400m public health campus.) The two closures led to the loss of around 4,000 direct jobs – a serious economic shock locally. The Nortel site was acquired by private developers with a view to its development as a business park and data centre complex. When Government announced the bidding process for new Enterprise Zones in 2011, Harlow DC and SELEP leapt at the opportunity. In due course, Harlow DC acquired 27 acres of the 37 acres and procured a development partner, Vinci UK Developments (backed by Palmer Capital) to develop the science park.
- 2.2. To bring forward the EZ, £15m investment in a new access road, 43MVA power supply and infrastructure were needed; this has been enabled by £10m from the developers and £5m in loans from Harlow DC and Homes England (£2.5m each). This has been the catalyst

enabling the developers to raise funds for investment in the site including the redevelopment of the offices on Kao Park, which are now occupied by two American companies, and creation of four data centres.

- 2.3. The sector focus of the science park will be advanced manufacturing and life sciences, with Anglia Ruskin University's MedTech Campus as an anchor 'tenant' – their facility opens in 2018/19. A key selling point is the installation of world-class broadband infrastructure: on completion there will be 12-15 fibre providers and direct connection for each occupier with 1Gb/s download capability. Up-front public funding has been important to build confidence: borrowing against future business rates income and with assistance from DCLG capital grant (available to round 1 EZs), Harlow DC has invested in site infrastructure (e.g. roads, utilities) as well as developing 30,000 square foot Innovation Hub. Growing Places Funding through SELEP had enabled the access road (which housing developers were obliged to provide) to be brought forward, and would be repaid from s.106 proceeds from the adjacent housing development.
  - 2.4. Experience with the **LDO** had been generally positive, though there were some issues to be addressed. The LDO had been a positive marketing tool, had helped in procuring development partners, and removed risk and cost for companies by virtue of pre-notification planning fees only and 28 day turnaround on decisions. The LDO did take a long time (18 months) to prepare and was costly (offset by support from SELEP). Some constraints were emerging, e.g. location of power sub-stations, planting schemes and ancillary uses, because the LDO was too prescriptive and inflexible. Some revisions were now being undertaken to give more flexibility. The key lesson here was for LDO preparation to be informed by commercial appraisal and advice, and not just 'pure' planning considerations.
  - 2.5. Harlow DC's approach to **investment** was quite bold for a relatively small authority. The Council would retain a freehold interest in the land acquired so as to ensure consistent quality public realm management and to generate an income stream. Business rates income would, as well as repaying borrowing and investment in the EZ, support investment in the town centre needed to upgrade the offer to existing and prospective residents and businesses (50/50 EZ/town centre). Aside from the pump-priming loans from Harlow DC and Homes England, and £11m capital grant from DCLG, all other investment was coming from the private sector. Andrew confirmed that business rates income would also be used to invest in the Templefields Site (the third of the EZ sites) as part of a long-term transformation process.
  - 2.6. Questioned about marketing, Andrew emphasised that Harlow had taken a staged approach linked to key milestones in the evolution of the EZ. It was important not to oversell prematurely before there was product/progress on the ground. They were now stepping up direct marketing and social media using external agents with expertise in three different markets – Cambridge (as part of the London-Stansted-Cambridge Corridor), London and locally in Harlow. Membership of the LSC Consortium was valuable in presenting and positioning Harlow within the high-tech "golden triangle".
  - 2.7. The Chairman thanked Andrew for a very stimulating presentation and discussion, and thanked Dawn and Wayne for hosting Andrew in visiting the Kent Medical Campus and Innovation Park Medway sites within NKEZ.
- 3. Minutes of last meeting and actions arising (SB07-01)**
- 3.1. The minutes were agreed. All actions had been completed with the exception of 4.8 relating to contacting Karen Cox (University of Kent) about the Kent & Medway Medical School proposal. Carole suggested in any event approaching Peter Nichols, Dean of Health,

after Department of Health had announced the outcome of the bid. **Action: RL to contact Peter Nichols.**

#### **4. Progress monitoring and risk register (Paper SB07-02)**

- 4.1. Richard introduced the overall report and attached dashboard, apologising (in response to a question from Carole) that the ownership of risks that had been previously included in column 10 had been lost in this iteration. This would be reinstated in future.
- 4.2. The Chairman invited scheme representatives to give verbal updates to amplify the summary report.
- 4.3. Kent Medical Campus. Dawn drew attention to Maidstone BC's bid for £5.3m ERDF funding towards building an Innovation Hub. If the bid gets through the first stage of scrutiny there would then be 6 months close working with MHCLG to finalise the proposals. The Council was also looking at a reserve option of a smaller project with expansion potential (possibly on a modular basis) if the ERDF bid is not successful. DHA, on behalf of the landowners, had applied for removal of a planning condition that restricted the uses allowed on the site. This would be determined by the Council in due course. The Council is stepping up marketing across a number of opportunities in Maidstone and aims to sponsor a targeted element of a Canterbury Christ Church University event in June, focusing on KMC.
- 4.4. Ebbsfleet Garden City. As there was no representative from Ebbsfleet, due to diary clashes, there was no new information to supplement the written report. The Chairman reported on the meeting he and RL had held with Homes England on 19 February to discuss future handling of Northfleet Embankment East, and ensuring that EDC and GBC are fully involved in decisions on next steps.
- 4.5. Innovation Park Medway. Alan Jarrett picked up on a number of issues arising from the Harlow experience. The contractors assisting with the LDO and masterplanning for IPM have started work: Alan noted the point about ensuring the process is informed by commercial advice. The airport operators were contending with some uncharted territory regarding completion of an air quality assessment; this and related matters continued to impact on the planning timetable. The Council was keeping options open to ensure the IPM could continue to progress.
- 4.6. The Board NOTED the report and verbal updates.

#### **5. Marketing Update (Paper SB07-03)**

- 5.1. Richard introduced the paper prepared by Locate In Kent. The key recent actions had been revisions and upgrades to the NKEZ Website to provide richer content for SEO purposes, and preparations for the first issue of a Newsletter which would be sent to contacts made through MIPIM UK or who signed up via the invitation on the website. This is intended for publication in March. PR activity had been put on hold pending specific milestones being reached. NKEZ brochures were being taken to MIPIM Cannes, on behalf of LIK. A revised marketing plan would be prepared for 2018/19 utilising underspend from this year and aligning with delivery milestones. The Board **noted** the report and **endorsed** the proposed approach.

#### **6. Finance matters including SELEP sector support funding**

- 6.1. Reference had already been made to support from the Cities & Local Growth Unit for commercial consultancy work at KMC and IPM under the scheme updates. For the SELEP sector support funding to be drawn down, further information was required chiefly on value for money, to demonstrate compliance with SELEP's funding parameters. This will be provided as soon as possible to try and secure draw down this financial year. **Action: RL with Medway Council and LIK.**

6.2. Richard also referred to the need for Councils to adopt business rates billing policies which reflected the approach they intended to take towards occupiers on enterprise zone sites. Such policies would need to be aligned with the planning policies etc applicable to the respective sites, and incorporate measures such as a 'growth test' to discourage displacement (i.e. local businesses simply relocating onto the EZ, without demonstrable growth ambitions). Dawn reported that Maidstone had a draft policy in preparation to be considered by the appropriate Committee. She would share that with colleagues, and Richard would circulate any other examples found via the Project Group. **Action: Dawn, Richard.**

## **7. Implementation Plan and Annual Report (Paper 07-04)**

7.1. Richard introduced his paper which recommended review of the implementation plan and, in particular, revision of the delivery spreadsheet to cover the period 2018-21 and enable monitoring against a more realistic timetable. The paper also recommended production of a short annual report charting progress over the first year.

7.2. In discussion the Board agreed with revision of the implementation plan, emphasising that it was important that the local delivery leads owned the detail and were prepared to be accountable for progress. There was no desire to airbrush away where things had not gone according to plan, but the Board agreed that monitoring against a new baseline was sensible. The Board suggested that rather than a strictly retrospective annual report, this should be along the lines of "NKEZ – one year on", and be forward-looking, focusing on deliverables, as well as summarising progress to date. The Board AGREED with the proposal that drafts of each document should be developed by the Project Group and brought to the next meeting in June for consideration.

## **8. AOB**

8.1. The question was raised as to whether the NKEZ had been presented to Kent Ambassadors, with the answer not to date. It was suggested that this would be a valuable way of spreading the word amongst the business community and use the Ambassadors to promote NKEZ. The Chairman, who is a Kent Ambassador, offered to share the appropriate contacts. Timing of any visit/presentation might depend on themes already programmed for future meetings. **Action: Chair and RL.**

8.2. There was no other business. The meeting finished at 12.55pm.

## **9. Future meetings:**

5 June, 18 September, 4 December: all 11am to 1pm.

Richard Longman, TGKP

13 March 2018