

**SB12-01**

## North Kent Enterprise Zone Strategic Board

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Minutes of 11<sup>th</sup> meeting held on Friday 8<sup>th</sup> March 2019 in the Sunderland Room, Innovation Centre Medway.

**Board Members & Representatives Present**

Bernard Spring (Chair)  
 Carole Barron, University of Kent (HE Rep)  
 Suzanne Bennett, SELEP  
 Kevin Burbidge, Gravesham BC  
 Gavin Cleary, LIK  
 William Cornall, Maidstone BC  
 Cllr Alan Jarrett, Medway Council  
 Chris Hartgrove, Maidstone BC (Accountable Body)  
 Richard Kidd, Kent CC  
 Richard Longman, TGKP

**Apologies**

BS Adam Bryan, SELEP (Suzanne Bennett deputising)  
 CB Cllr Rodney Chambers, Medway Council  
 SB Alex Hicken, DHA Planning  
 KB David Hughes, Gravesham BC (Kevin Burbidge deputising)  
 GC Matthew Norwell, TGKP  
 WC Simon Cook, MidKent College (FE Rep)  
 AJ Ian Piper, Ebbsfleet Development Corporation  
 CH David Smith, KCC (Richard Kidd deputising)  
 RK  
 RL

**Also Attending:**

Dawn Hudd, Medway Council (DH)

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**Actions**
**1. Welcome & Introduction**

- 1.1. The Chairman welcomed Board members and others attending, including Chris Hartgrove, newly arrived as Interim Head of Finance at Maidstone BC as Accountable Body for NKEZ.
- 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. Minutes of last meeting (18<sup>th</sup> September) and actions arising (SB10-01)**

- 2.1. The minutes had already been agreed by electronic procedure following cancellation of the December meeting. There were no outstanding action points not covered by the agenda.

**3. Progress Report – paper SB 11-02**

- 3.1. Richard introduced his summary of recent progress and the Chairman invited comments on the broader policy and delivery environment. RL observed that the experience of EZs generally was of time-lag between designation and delivery. Where new premises had to be developed, significant progress tended to be at the back end of the 5 year period for government-funded incentives. Nonetheless it was disappointing that, nearly three and a half years after NKEZ was selected as an EZ, and two years after its launch, non-construction jobs so far delivered were only around 200 compared with about 750 profiled in the bid document.
- 3.2. It was recognised that EZs were not a key element of Government's Industrial Strategy. But BEIS/HMT had just launched an initiative to create up to 10 University Enterprise Zones. These would essentially be extensions of incubator and grow-on space where

innovatory SMEs can interact with academic institutions. The funding would primarily help towards developing proposals and leveraging other funding rather than directly supporting delivery. [More details at <https://re.ukri.org/knowledge-exchange/university-enterprise-zones/>.] It remained to be seen whether other Government initiatives such as the Stronger Towns programme or, in future, UK Shared Prosperity Fund, would reference EZs in any way. The Board would have an interest in shaping how EZs are treated in SELEP's Local Industrial Strategy.

- 3.3. RK referred to findings by the What Works Centre that an issue with EZs generally (internationally, not specifically in UK) was the risk of displacement rather than growth. RL and DH emphasised the need for policy reinforcement, e.g. through business rates billing policies, for growth tests, gateway policies and other mechanisms to mitigate against displacement. Local businesses coming onto NKEZ sites in order to grow was potentially positive: it also released space for companies on other sites. The problem was shortage of grow-on commercial space generally.
- 3.4. GC observed that EZ status remained one of the few non-market levers available to local partners to influence and incentivise locational decisions by businesses, particularly international investors. The EZ brand therefore still had currency which should be exploited.
- 3.5. The Chairman invited scheme representatives to give further updates.
- 3.6. Ebbsfleet. KB commented on the ongoing challenges at Ebbsfleet, including the uncertainties over London Resort and its potential access requirements. Whatever happened on the Swanscombe Peninsula would need improved access, though not necessarily to the standard required for a global resort. KB understood genuine progress was being made with the propositions for Northfleet Embankment East (southern site) and Northfleet Embankment West.
- 3.7. Innovation Park Medway. AJ reported that Medway's Cabinet had approved the IPM Masterplan and consultation on the Local Development Order. Tonbridge & Malling's timetable was slightly behind Medway's but this should not affect the phasing or delivery of the Northern Gateway scheme which would lead build-out of the EZ, with start on site no later than December. Subject to confirmation [now received] that no challenge was brought against the planning consents for airport redevelopment, work should commence within months: Medway were in the final stages of tender selection. Demolition and infrastructure works would start on the southern site within weeks. Initial market testing had shown strong business interest in the IPM. A development and investment plan, setting out gateway policies and procedures, would be finalised in the next couple of months.
- 3.8. Kent Medical Campus. WC reported that the Cygnet Hospital was fully operational and much needed new provision. Groundworks were underway on the Step-Down facility. The next site after these should be the Innovation Centre led by MBC: the formal outcome of the ERDF funding bid should be known within days, the planning application would be considered on 4 April, and the land deal was close to being finalised. MBC are keen to be on site by the autumn, anticipating an 18-24 month build period. Similarly, KCC should be on site in the autumn to carry out the enabling local roads infrastructure. The bid for Highways England funding for improvements at M20 Junction 7 had, however, been unsuccessful. MBC would be tendering separately but in parallel for build and operation of the Innovation Centre: they were keeping the option open of doing the operation in-house. WC observed that MBC leverage to drive the pace at KMC

was limited. GC added that LIK was getting enquiries from small companies with an interest in specific client/patient groups in the hospitals. The Innovation Centre could be a catalyst for investor interest but take-up of other plots could be slow given the land values being sought.

#### **4. Future of the Strategic Board – paper SB 11-03**

- 4.1. RL introduced his paper, seeking decisions from the Board about the future scope of its functions, the preferred future Board model and streamlining support arrangements. The backdrop included TGKP reviewing its priorities and deployment of resources, and the evolution of NKEZ itself with increasing emphasis on delivery driven at the local level.
- 4.2. In a lengthy discussion, the following points were made:
- It is natural to expect some functions to expand and others to contract;
  - The ‘single enterprise zone’ within a broader Kent & Medway innovation corridor is an important identifier and useful to Locate In Kent;
  - The Strategic Board has a role as the ‘conscience’ of the enterprise zone, helping to keep partners focused on shared objectives and healthy competition;
  - NKEZ’s traction with SELEP and central Government is as a single EZ. That needs to be manifest in the governance arrangements, and it is also important to have arrangements compliant with the MoU signed with Government;
  - There should continue to be some coordination across NKEZ, particularly via the support arrangements;
  - All partners recognised the responsibility for delivery to be owned and driven locally;
  - The Chairman’s role as an ambassador and champion for NKEZ depended upon being supported with regular concise briefing from each of the schemes;
  - Detailed implementation planning should be locally-led. Now the overall framework was set there was less case for a top-down implementation plan;
  - Schemes should use whatever progress monitoring system fitted with local practice, but it should not be onerous to provide periodic update briefing in a common format.
- 4.3. GC pressed scheme representatives on whether the EZ/NKEZ branding added to the marketing proposition for their sites. The general view was that, for the purpose of marketing sites to investors and businesses, local branding would take precedence; but NKEZ could have sub-brand value, i.e. “part of the North Kent Enterprise Zone”.
- 4.4. Opinion was split over the preferred model for Board’s future operations, but on a show of hands a clear majority favoured option 1, which is that the present Board should continue but meeting on a less frequent (6-monthly) basis.
- 4.5. The Board also agreed to rationalise its functions to the following:
- Provide strategic oversight of, and direction to, the NKEZ as a whole;
  - Use all reasonable endeavours to promote the NKEZ, including the approval of a Marketing Strategy;

- Promote the interests of the NKEZ at all levels including with national and local government, SELEP, industry bodies, academic institutions, businesses and potential investors;
  - Review and revise the Implementation Plan, investment strategy, marketing and branding strategy and other tools as appropriate in the light of performance monitoring information;
  - Approve any reports or other publications relating to the progress of the NKEZ.
- 4.6. Revised Terms of Reference would be circulated accordingly. **Action: RL to revise in consultation with the Accountable Body and SELEP and circulate.** **RL**
- 4.7. The Board supported the proposal for regular (at least bi-monthly) briefing to be provided, for all Members' benefit but the Chair in particular, based on the template suggested in Annex B of the Paper. **Action: RL to finesse the template in consultation with the Officer Group and set a timetable for responses.** **RL**
- 4.8. The Board supported the principle that officer support arrangements should be streamlined and RL would explore with colleagues the merger of the Project Group with TGKP delivery group and scaling down TGKP coordination role. **Action: RL.** **RL**
- 5. Marketing: NKEZ Video**
- 5.1. In light of the previous discussion, GC suggested that work on the NKEZ video, agreed at a previous Board meeting, should be put on hold. This might be returned to in the future, so the position would be reviewed not later than the next meeting. **Action: GC to liaise with the video company.** **GC**
- 6. AOB**
- 6.1. There were no items.
- 7. Future meetings:**
- 7.1. In light of the conclusions on item 4, the June meeting would be cancelled and the next meeting of the Board would be September 20<sup>th</sup>. The Chairman encouraged all Members present and absent to get full attendance.

Richard Longman, TGKP

12 March 2018