# POLICY AND RESOURCES COMMITTEE

# **13 December 2017**

# **Thames Gateway Kent Partnership**

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service/Lead Director	Chief Executive
Lead Officer and Report Author	Alison Broom
Classification	Public
Wards affected	All

# **Executive Summary**

The purpose of this report is to inform the Policy and Resources Committee that the Chairman of the Thames Gateway Kent Partnership (TGKP) has formally written to Maidstone Council canvassing whether the authority wishes to join the partnership and to seek a decision as to whether or not to accept this invitation. It is recommended that Maidstone Borough Council should join the partnership.

## This report makes the following recommendations to this Committee:

- 1. That the Committee agrees to accept the invitation to join the Thames Gateway Kent Partnership
- 2. That, if recommendation (1) is agreed, then Maidstone Borough Council is represented on the Thames Gateway Partnership Board by the Chair of the Policy and Resources Committee and that the Vice Chair should be the substitute

Timetable	
Meeting	Date
Policy and Resources	13 December 2017

# **Thames Gateway Kent Partnership**

#### 1. INTRODUCTION AND BACKGROUND

- 1.1 The purpose of this report is to inform the Policy and Resources Committee that the Chairman of the Thames Gateway Kent Partnership (TGKP) has formally written to Maidstone Council canvassing whether the authority wishes to join the partnership and to seek a decision as to whether or not to accept this invitation. It is recommended that Maidstone Borough Council should join the partnership.
- 1.2 The composition of the Thames Gateway Kent Partnership (TGKP) is currently made up of 12 members: six local authority partners (Dartford Borough Council, Gravesham Borough Council, Swale Borough Council, Medway Council, Kent County Council and the Ebbsfleet Development Corporation) and six private sector partners (BPP Regeneration, Bluewater, Dovetail Games, Thomson Snell & Passmore, Tarmac and one board member vacancy). A number of other public sector partners also sit on TGKP as observers, including representatives from the Department for Business, Energy and Industrial Strategy (BEIS), higher and further education, the Environment Agency, the Homes and Communities Agency, Department for Work and Pensions and one of the local MPs.
- 1.3 TGKP is an unincorporated association and not a formal partnership in law. There are also Thames Gateway partnerships in Essex and East London. There is a strategic group that draws the three partnerships together on topics of common interest. The TGKP partnership meets four times a year, and is supported by an "officers' group" of senior managers that meets monthly. It is funded by local authority partner subscriptions, agreed every year at the TGKP annual general meeting in December. The current annual district council subscription rate is £28,000 and the board have agreed that Maidstone's subscription, if the council joins the partnership, would be calculated net of any funding currently paid by Maidstone to TGKP for work carried out on the North Kent Enterprise Zone. The Maidstone contribution for work associated with the North Kent Enterprise Zone in 2016/17 was £5,684 and for 2017/18 to date is £7,998.
- 1.4 The Partnership's vision is to make Thames Gateway Kent the place to be to live, work, study, invest and enjoy your leisure. They identify their role as being to help create the conditions to support sustainable economic growth and prosperity. There has been a recent review of priorities and this was reported to the TGKP board in September 2017; the priorities adopted were:
  - 1. Positioning North Kent
  - 2. Supporting town centre regeneration in North Kent with new technology
  - 3. Ensuring the cultural and creative sectors can contribute fully to North Kent's regeneration and
  - 4. Making the case for improved transport in North Kent.

- Appendix 1 sets out a recent update of work undertaken for each area of priority.
- 1.5 The Chairman of TGKP wrote to the Leader of the Council in November 2017 formally canvassing Maidstone Borough Council's interest in joining the partnership. The key points that he made in promoting membership of the partnership were
  - TGKP brings together the public and private sector to promote the interests of North Kent, working to encourage, facilitate and enable sustainable economic growth and regeneration.
  - In the period since its formation in 2001 TGKP has worked to help North Kent to articulate its collective voice, representing the local authorities of Dartford, Gravesham, Swale, Medway and Kent, together with leaders from key private sector organisations and wider public sector bodies. TGKP works closely with government to make the case for investment and additional infrastructure in the area, and to promote the unique opportunity and potential for growth in the Thames Gateway in Kent.
  - TGKP partners already have a significant number of shared and mutual interests with Maidstone. North Kent and Maidstone have a number of the same economic, transport and housing challenges, and we are already working closely together, not least on the development of the North Kent Enterprise Zone. This is also an opportune and exciting time for Maidstone to join the partnership. Amongst other things upcoming initiatives and projects are identified including
    - The Thames Estuary 2050 Growth Commission's report and recommendations
    - The Industrial Strategy white paper
    - Plans for the Lower Thames Crossing which are quickly taking shape
    - The ambitious proposals for the London Resort theme park on the Swanscombe Peninsula continue to be developed
    - The South East LEP is developing a new Strategic Economic Plan which is likely to have a focus on priority places. TGKP is working to ensure that these developments bring the maximum benefit to North Kent.
- 1.6 The chairman of TGKP recognises that there would be a range of practicalities, and constitutional amendments, to work through if Maidstone joins TGKP, including how the partnership's work programme could be shaped to take account of Maidstone's particular needs and requirements. Maidstone's participation is seen by the TGKP board as a means of offering membership of an organisation which has a strong, established and credible track record of helping public and private partners to drive investment, growth and regeneration in the Thames Gateway in Kent and a benefit through Maidstone's involvement for TGKP to strengthen the voice, influence and reach of North Kent.

# 2. ASSESSMENT OF MEMBERSHIP OF THE THAMES GATEWAY KENT PARTNERSHIP

- 2.1 The Policy and Resources Committee received a report in September 2016 concerning enhanced inter –tier working and agreed amongst other things that Maidstone borough council should
  - 1) continue to engage with other Kent local authorities with the objective of strengthening service delivery resilience, improving cost effectiveness and securing investment in services and community infrastructure;
  - 2) work with district councils across Kent, Medway and Kent County Council to achieve this and in particular with Dartford, Gravesham, Medway, Swale and Kent County Councils;
- 2.2 In the period since September 2016 a number of meetings of the North Kent councils' cluster have taken place. An exploration has begun of the potential for closer working on a range of activities including communications, procurement, property, HR and debt recovery. This is being progressed in a way that does not cut across or compromise current partnership working for example Mid Kent Services.
- 2.3 Similarly Maidstone Council is collaborating through the West Kent Improvement and Local Care Delivery Boards with the West Kent Clinical Commissioning Group and the other districts which are part of the same health economy geography (Tonbridge and Malling, Tunbridge Wells and Sevenoaks), Kent County Council public health service and health providers with respect to transformational changes to the health, social care and well-being system.
- 2.4 Working with clusters of district councils is happening increasingly as this is regarded as a more practical way of seeking the contribution of district authorities in discussions eg where there are many stakeholders and it would be impracticable for 12 representatives to take part directly or where prioritisation of projects across more than one district is needed. For example the County Council has engaged with the three Kent clusters on a number of topics including the county wide Growth and Infrastructure Framework and Public Health. The NHS through the Sustainability and Transformation Partnership/Plan is seeking to do the same.

# What would be the benefits of being a member of the Thames Gateway Kent Partnership?

- 2.5 The advice from the local authorities who are currently members of the TGKP in terms of the principle of participation is that
  - TGKP is a significant partnership, it is better to be involved than not, not least to shape the thinking and opportunities
  - The Chair is highly respected, knows the geography well, is very experienced and ensures good contributions from all sectors. It may be

- possible for MBC to nominate a business representative to the board (if we join the partnership).
- Their voice is heard more participation in the partnership has given them more regular access to Ministers and senior civil servants, who typically will either visit sites in North Kent more frequently, will feature at TGKP board meetings or will attend the Thames Gateway Strategic Group (TGSG) in London and there are very good communications with other partners – eg other parts of the Thames Gateway and in London regarding Crossrail extension, the London Plan, the Thames Estuary Production Corridor
- The partnership has been privy and informed earlier on relevant Government thinking, policy and key initiatives - the progress on the Thames Estuary Growth Commission being a good example
- The partnership gets an earlier insight into bidding opportunities, with possibly greater support and guidance in drafting and submitting bids improving the chances of success
- The officer team (3 staff) is recognised and highly regarded by senior officers in CLG and BEIS, as well as the HCA. The benefits of this include ministerial visits and support for cross authority projects eg the Enterprise Zone. KCC's role is important in that they fund a sizable proportion of the costs of the partnership and prioritise officer time and projects to the area.
- 2.6 In terms of more detailed considerations the councils who are members of the partnership advise that the collective voice of the partnership impacts on leveraging of public sector investment for north Kent eg through the LEP and other funding bodies for regeneration or transport. Experience is that having the collective voice articulated by a private sector chair adds weight and credibility from the Government perspective. It is not possible to quantify the impact precisely given that most investment has come through bidding processes. The successful Enterprise Zone bid was the result, at least in part, of the dedicated resource TGKP was able to apply. Members will also be aware that officers from MBC were also influential in the writing of the bid and development of credible proposals with respect to the Kent Medical Campus element of the Enterprise Zone. TGKP enjoys a recognised and valuable place in the hierarchy of the LEP structure. This involves reviewing and confirming priorities for North Kent, providing the background information to support bids. The partnership is quickly able to respond to short deadlines that arise from Government. Success with the LEP arises from TGKP's reputation, including some significant figures on the Board and that the added level of assurance and confidence, in that they are agile and can respond guickly to deadlines, and their view appears to count with senior Government officials.
- 2.7 The impact on inward investment is difficult to quantify. Local government partners are positive about the role TGKP plays in presenting a North Kent perspective to prospective investors eg via investment conferences and business breakfasts, highlighting the strengths of the area in terms of its strategic geographic position, its transport links, both road and rail, the

- availability of Higher and Further Educational bodies etc. There is close working with Locate in Kent.
- 2.8 There is some impact on raising productivity, closing the skills gap and improving the connections between employers and education providers. In particular North Kent College is represented at officer and Board level and there is good liaison with Mid Kent College. This has resulted in work with individual north Kent partners to develop appropriate apprenticeship training schemes to support local business needs. TGKP periodically hosts opportunities for local businesses to discuss their skills shortages and requirements and then seeks to act upon these. This has had some success as a result of the funding model for Higher Education establishments.
- 2.9 There is a view that TGKP has more potential for the future as Government is encouraging local partnerships to grasp the growth and regeneration agenda and establish ambitious plans that could in turn lever funding. Future benefits envisaged include:
  - TGKP should be capable of representing the collective view of North Kent public and private sector views eg on the London Plan and London Mayor's Housing Strategy and presenting these to the Greater London Authority. This complements and does not replace engagement by individual authorities.
  - O TGKP will be the key route for participation in the Thames Estuary Production Corridor initiative which aims to create a world class location for the creative industries The UK Commission for Employment and Skills predicts 1.2 million new workers are needed in the sector over the next decade. Plans are being developed to leverage investment for production and manufacturing jobs that will be affected least by automation and therefore represent good opportunities for investors. Currently Maidstone lies outside this production corridor.
  - TGKP are expecting the 2050 Growth Commission (which was led by Lord Heseltine) to crank back into action and this was confirmed in the Chancellor's Budget Statement on 22 November. This should present an excellent opportunity to articulate the collective "ask" of government for north Kent.
  - BEIS civil servants, who also support the work of the Thames Estuary Commission, attend TGKP officer and Board meetings so there is a fast track route into the Commission.
  - There is potential for TGKP to be the body through which investment of retained business rates to enable housing and commercial growth in the north Kent cluster (should Kent and Medway become a pilot) is allocated. To date politicians have agreed that this funding will be managed on a cluster basis.
  - Work on the Lower Thames crossing and access to it; TGKP has previously responded to consultations relating to the Lower Thames Crossing. Each authority impacted may need to commission studies on particular issues in their patches.

2.10 In conclusion Maidstone Council, through participation in the North Kent cluster has built up a positive working relationship between members and officers. Maidstone is seen very much as a key and equal partner in North Kent – the other authorities have expressed the view that they see logic and a value to building on this through joining the TGKP.

## 2.11 From a Maidstone perspective:

- The TGKP geography reflects a natural functioning economic area which Maidstone is part of
- The TGKP priorities with a focus on town centre regeneration, the role of the creative industries in regeneration and improved transport infrastructure align well with the Maidstone Council Strategic Plan
- Participation in TGKP would build on the Enterprise Zone synergy and the existing North Kent cluster discussions
- There is appetite and enthusiasm from the other members of the partnership for working with Maidstone
- The benefits of the partnership in principle are potentially significant in terms of raising the profile of the borough with government departments and being part of a cohesive group which has weight and influence beyond that MBC can achieve on its own in key arenas including SELEP and the Kent and Medway Economic Partnership where consideration is given to Strategic Economic Assessment, Infrastructure Investment strategy, bid prioritisation and funding allocations.
- o It is difficult to quantify the scale of any financial benefits eg leveraging capital investment in infrastructure. MBC has had some success through SELEP bids for the Local Growth Fund and working with KCC has secured funding through the National Productivity Investment Fund. There have been occasions when scoring criteria have favoured sub-county partnership bids and disadvantaged MBC because we are not a member of any such partnership. Being part of TGKP will not increase the total resources available to be bid for, will require our schemes to be part of a prioritised package for the whole of North Kent but may increase the likelihood of access to funding whereas remaining outside any partnership is more likely to increasingly diminish our position.
- The future benefits are potentially significant especially given the timing for consultation on the London Plan, government expectations concerning the Industrial Strategy and the work of the Thames Estuary Commission and Production Corridor for creative industries.
- 2.12 Does this add up to value for money given the subscription fee of £28,000? The net payment for MBC would be £20,000 given that a contribution is made already for support on the Enterprise Zone. The subscription will be funded from Economic Development budgets and if necessary the provision for growth.

2.13 There is clear potential although being precise about scale and timing eg of any funding for infrastructure is not possible. Not participating potentially constrains access to new initiatives and influence. If MBC joins the partnership there is a risk that the reshaping of governance and adjustment of priorities needed from the existing partners (identified in paragraph 1.6 above) may not be forthcoming. The option of joining the partnership for a trial period has been raised with the TGKP Chief Executive who has advised that constitutionally a time-limited membership is not precluded; it would be a matter for the board to consider and given the longevity of the partnership it is likely that their preference would be for a longer-term commitment. Six months' notice of leaving is required for any member.

#### 3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 On balance it is considered that there would be merit in fully participating in the TGKP partnership and therefore it is recommended that Maidstone Council should advise the Chair that the Council wishes to join. If this recommendation is accepted it would be good practice to review membership; given the nature of the objectives and work undertaken it is suggested that a review should be conducted after 24 months.
- 3.2 The alternative option is not to join TGKP. The implications of this are the reverse of those for joining the partnership.
- 3.3 District councils work in clusters in West (Tunbridge Wells, Tonbridge and Malling and Sevenoaks) and East Kent (Ashford, Shepway, Canterbury, Thanet and Dover). As noted on previously when enhanced two tier working was considered by the Committee, in practice there is no likelihood of being able to join either of these two clusters and, in terms of economic geography, then the North Kent cluster has stronger synergy with Maidstone borough.

#### 4. RISK

- 4.1 The Council's Corporate Risk register identifies the adverse consequences of poor partnership relationships as a key risk. Joining the TGKP partnership has the potential to enhance the council's reputation and profile provided that good relationships are developed and maintained. Experience of working informally through the North Kent cluster has been positive. The financial commitment and therefore risk of participation is small; there is potential for more effective leveraging of capital and inward investment.
- 4.2 We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

# 5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 The potential for joining the TGKP has been informally discussed with the leaders of each political group of Maidstone Borough Council.

# 6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The decision of the Policy and Resources Committee will be communicated to the Chief Executive and Chair of the TGKP. If the recommendation is agreed then work will be undertaken to revise the Constitution of TGKP.
- 6.2 It is recommended that if Maidstone Borough Council joins the TGKP then the Chair of the Policy and Resources Committee should represent the Council and that the Vice-Chair should be the substitute. This is consistent with the responsibilities of the Policy and Resources Committee and the arrangements for representation on the Mid Kent Services Board.

#### 7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The recommendations will support the Council's overall achievement of its aims with respect to economic development and management of growth in the borough.	Chief Executive
Risk Management	Refer to paragraph 4.1-2 of the report	Chief Executive
Financial	Accepting the recommendations will demand new spending of £28,000 annually, £20,000 net of existing spend to support the Enterprise Zone. We plan to fund that spending as set out in section 2.	Section 151 Officer & Finance Team
Staffing	We will deliver the recommendations with our current staffing.	Chief Executive
Legal	Acting on the recommendations is within the Council's powers as set out in The Local Government Act 1972, S111 provides that a local authority shall have power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the	Head of Mid Kent Legal Partnership

	discharge of any of their functions. The recommendations proposed are in accordance with the power.	
Privacy and Data Protection	The recommendations will not impact the information the Council holds on its residents	Legal Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Policy & Information Manager
Crime and Disorder	The recommendation will not have a negative impact on Crime and Disorder.	Head of Service or Manager

# 8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

• Appendix 1: Kent Gateway Officers report

# 9. BACKGROUND PAPERS

None



# ThamesGatewayKentOfficers'Group Meeting 14<sup>th</sup> November

#### Update on the Thames Gateway Kent Partnership work programme

1. This paper summarises work underway to deliver TGKP's work programme, agreed at the board meeting in September 2017. This update is organised according to the four new priority areas and the two "business as usual" TGKP work areas. It is proposed to bring a regular update on TGKP activity to future meetings of the officers' group.

### New priority areas:

### Positioning North Kent

- TGKP presentations delivered to:
  - Cultural Transformation Board;
  - Construction Skills Exhibition;
  - Kent B2B Medway.
- Attendance at Solace / Grant Thornton Industrial Strategy round table event in central London.
- Attendance at MPIM UK to promote the North Kent Enterprise Zone.

#### Supporting town centre regeneration in North Kent with new technology

 Work is underway with private sector board members to develop a framework to take forward engagement work on new technology. The current proposal is to undertake a series of seminars over the next 12 months with private sector and other partners to understand the impact of new technology on a small number of thematic areas on North Kent. Higher education partners are keen to be involved in this.

# <u>Ensuring the cultural and creative sectors can contribute fully to North Kent's regeneration</u>

- TGKP have been working with the University of Kent and other Gateway partners to help develop a joint bid to the Arts and Humanities Research Council for creative R&D partnerships and wider university engagement.
- TGKP have been brokering discussions with English Heritage, Heritage Lottery Fund and other partners to develop a potential funding bid to bring heritage buildings back into sustainable use. This work is ongoing.

• TGKP have been working with KCC, the Cultural Transformation Board and SECEN on the incipient Production Corridor proposals.

### Making the case for improved transport in North Kent

- TGKP responded to Highways England's M2 junction 5 consultation (October).
- TGKP participated with SELEP and KMEP in initial meetings with all three identified bidders for the South-east rail franchise.
- Crossrail: Ongoing work through both the Project Group and Chief Executive's Group
  on the C2E (Crossrail to Ebbsfleet) project. The deadline for consultancy tenders for
  the strategic outline business case work is 10 November and an inception meeting
  with the appointed contractor(s) will be around 22 November. A promotional
  brochure was used to brief Party Conferences and copies were made available at
  MIPIM UK to promote the scheme. The CEX Group meets on 24 November to discuss
  next steps particularly on communications strategy.
- Lower Thames Crossing TGKP is actively participating in the Stakeholder Advisory
  Panel and attended the last meeting on 24 October. A follow-up meeting is planned
  with HE representatives this month and TGKP has convened a meeting with NK
  partners on 14 November to discuss the range of implications for North Kent and
  next steps in our engagement with Highways England and Government on these
  issues.

#### TGKP "business as usual" work areas:

## Supporting and co-ordinating the North Kent Enterprise Zone

- TGKP continues to coordinate the NKEZ. There has been a productive discussion between EDC, HCA and GBC over the future of the portion of Northfleet Embankment East not sold to Berkeley Homes, for which a planning application for a modular homes factor is now with EDC for determination. A local delivery board for Innovation Park Medway (the new brand for Rochester Airport) has met for the first time and work is progressing on procurement of consultants to prepare the local development orders and masterplan. The main planning applications for reconfiguration of the airport site are with Medway and Tonbridge & Malling for determination.
- The NKEZ was showcased with a stand at MIPIM UK, led by Locate in Kent and with input from other partners including TGKP.

### **Ensuring North Kent has an influential voice with government**

- Work to prepare for a new Thames Estuary 2050 Growth Commission chair, the
  interim (or final) report and a future meeting of the TGSG continues, with partners in
  Essex and London. A senior officers' group has been meeting regularly to provide this
  co-ordination. A scaled-back TGSG meeting is planned for 5<sup>th</sup> December.
- DCLG Planning for the right homes in the right places consultation. TGKP submitted its response on 9 November (circulated to Board and TGKOG) following consultation with partners on a draft.

- TGKP were represented at the Thames Gateway Growth Day in Dagenham in October.
- TGKP are looking at how we can best contribute to the preparation of the South East LEP's Strategic Economic Plan. SELEP are regrouping on how to resource and progress the actual writing of the SEP following lengthy evidence-gathering over the summer and early autumn. Timing and alignment with the anticipated Industrial Strategy White Paper have not yet been finalised. The aim is to take something to the next SELEP Strategic Board, if only to confirm the direction of travel and approach.

## Other TGKP activity

- 2. Christchurch University Brexit study: TGKP has been asked by Christchurch University and KCC to chair the "Delivering a Brexit Border: Customs and Immigration, Policing Cooperation and Transport/Infrastructure" sub-group and to work with Christchurch to draft the accompanying report.
- 3. Following the decision at the TGKP board meeting in September, TGKP have progressed the potential membership of Maidstone on the partnership. Rob Bennett has written formally to the Leader of Maidstone and we await a formal response.
- 4. Re-shaping the Economic Development Officers' Group. Given the interplay between economic growth, planning, regeneration and other issues, it was agreed that the membership of the EDO group should be broadened to fit the agenda, and a clearer relationship developed between TGKOG and the retitled the "TGKP Delivery Group". It is envisaged that the group will provide both operational and policy insight to feed into TGKOG discussions as well as follow through on actions arising from TGKOG and TGKP Board decisions. We are keen to secure strong buy-in to this process.
- 5. The meetings of the private sector board members have continued and there is a future programme of meetings up until spring 2018.
- 6. TGKP were invited by the "Peninsula Management Group" to a set of meetings at the Northfleet Industrial Estates in November to understand the potential impact of the London Resort proposals on the area.

Thames Gateway Kent Partnership November 2017