

CABINET

19 DECEMBER 2017

INNOVATION PARK MEDWAY DELIVERY BOARD

- Portfolio Holder: Councillor Alan Jarrett, Leader of the Council
Councillor Rodney Chambers, Inward Investment, Strategic Regeneration and Partnerships
Councillor Jane Chitty, Planning, Economic Growth and Regulation
- Report from: Richard Hicks, Director of Regeneration, Culture, Environment and Transformation, and Deputy Chief Executive
- Author: Lucy Carpenter, Principal Regeneration Project Officer
Janet Elliott, Regeneration Programme Manager

Summary

This report seeks Cabinet approval to establish an Innovation Park Medway (IPM) Delivery Board as a Cabinet Advisory Group.

The Innovation Park Medway (IPM) Delivery Board will oversee development at Rochester Airport and receive updates on key issues relating to the delivery of the IPM site/North Kent Enterprise Zone.

1. Budget and Policy Framework

- 1.1 Medway has been awarded £4.4m from South East Local Enterprise Partnership (SELEP) as part of the Local Growth Fund round two for improvement works to Rochester Airport, and subject to final approval of the business case, has been awarded £3.7m from the Local Growth Fund round three in order to bring forward development of Innovation Park Medway. SELEP funding of £126,000 has also been awarded for a masterplan and Local Development Order, and £18,000 for a review of development options for the site.
- 1.2 Establishment of the Innovation Park Medway Delivery Board is a requirement under the North Kent Enterprise Zone Memorandum of Understanding with the Secretary of State for Communities and Local Government.
- 1.3 The establishment of and appointment to Cabinet Advisory Groups is a matter for Cabinet.

2. Background

- 2.1 The Rochester Airport masterplan was adopted by Medway Council in 2014. It sets the vision for the site as follows:

Rochester Airport and adjoining land will be developed as a strategic gateway and economic hub. The existing general aviation airport will be retained and improved and high value economic activities provided on surplus land to create skilled employment opportunities. This will capitalise on the presence of the existing BAE facility. An opportunity to enhance working aviation heritage facilities as a public visitor attraction will also be achieved. The open outlook provided by the airport will be retained and improved. Over the longer term reinvestment will be encouraged on the Laker Road and Airport industrial estates and other adjoining sites. This will establish Rochester Airport as an economic location of real significance and a model for the area.

- 2.2 The Innovation Park Medway site sits as one of the three schemes within the North Kent Enterprise Zone, with aspirations for:

- High quality development and innovative adaptable environment.
- A strategic gateway and economic hub.
- High GVA.
- Skilled local employment opportunities and graduate retention.
- Place, space and innovation.
- A collaborative 'city of business' environment.

- 2.3 The North Kent Enterprise Zone offers business rates discount up to £55,000 per year for a period of up to five years, to any business which sets up operations within the Enterprise Zone site before 31 March 2022. Central Government will reimburse the cost incurred by Relevant Local Authorities in providing such a discount during this period. Delivery within this period is therefore important in order to realise the benefits of Enterprise Zone status.

- 2.4 The Cabinet has established a number of Cabinet Advisory Groups to assist in key areas of Council activity including, the Local Plan, the Local Transport Plan, regeneration and the Council's procurement arrangements. It is proposed that the IPM Delivery Board is established as a Cabinet Advisory Group with the proposed terms of reference and proposed membership as set out in Appendix 1.

3. Advice and analysis

- 3.1 The establishment of an Innovation Park Medway Delivery Board is a requirement under the North Kent Enterprise Zone Memorandum of Understanding. It is proposed to include representation by key external organisations in the membership of the board to achieve a balance of views and consideration of key stakeholder interests. Meetings will be held on a quarterly basis.
- 3.2 In order to achieve the key aspirations for the site, it is suggested that the Innovation Park Medway Delivery Board will oversee and shape proposals for the site, ensuring that these are taken through the appropriate approval processes as required. The Terms of Reference attached as Appendix 1 to this report set out other procedures to be followed in terms of reporting.

Setting this group up as a Cabinet Advisory Group will ensure that the group's terms of reference and membership is reviewed by Cabinet annually.

- 3.3 The proposed group consists of relevant officers, Members and external representatives who will provide a balanced direction for the project. Appendix 1 sets out the proposed membership of the group.
- 3.4 The site will be brought forward in line with the Rochester Airport masterplan 2014 and any other appropriate policy guidance. The establishment of a delivery board will ensure that the proposals for development encourage innovative, sustainable and high quality development. As such, it is proposed that the remit of the board, constituted as a Cabinet Advisory Group is to:
- keep under review strategies to regenerate the Rochester Airport site;
 - coordinate regeneration initiatives, projects and funding streams related to Innovation Park Medway and the Rochester Airport site;
 - make recommendations on external funding opportunities;
 - ensure all appropriate development opportunities are appraised and pursued as appropriate;
 - progress development of Innovation Park Medway as appropriate; and
 - ensure a positive message regarding Innovation Park Medway is effectively communicated.
- 3.5 The group will make recommendations on how to make progress within the Enterprise Zone timescales.
- 3.6 The establishment of an Innovation Park Medway Delivery Board is a requirement under the North Kent Enterprise Zone (NKEZ) Memorandum of Understanding, which sets out the proposed governance arrangements for the Enterprise Zone. The Memorandum of Understanding states that *'Each of the three schemes will have a local delivery board'* and that *'SELEP will own and drive progress through regular reporting to the Strategic Board and the Accountability Board. Ownership will be provided through the Responsible Officer who, as Director of SELEP, sits on NKEZ Strategic Board. Regular reports will also be provided to KMEDP under the federal governance arrangements in the South East LEP'*. Coordination of the NKEZ is led by the Head of Policy at Thames Gateway Kent Partnership.
- 3.7 In conclusion, the Innovation Park Medway Delivery Board will provide improved coordination and oversee progress of the regeneration at Rochester Airport and development of Innovation Park Medway, ensuring that the aspirations for the site can be achieved.

4. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
1. Poor coordination of the project	Separate funding streams with multiple stakeholders need coordination.	Establish Innovation Park Medway Delivery Board	D3

2. Poor quality site does not attract interest	Innovation Park Medway Delivery Board members will provide steer on the appropriate quality within the parameters of the Terms of Reference.	Establish Innovation park Medway Delivery Board	E2
3. Budget not managed effectively	Innovation Park Medway Delivery Board will ensure that the site is delivered in line with the funding agreements in place, achieving the objectives set out in the Terms of Reference.	Establish Innovation park Medway Delivery Board	D3
4. Programme for delivery not within Enterprise Zone window.	Benefits of the EZ status may not be realised.	Establish Innovation Park Medway Delivery Board.	D3

5. Consultation

- 5.1 Public consultation was undertaken on the Rochester Airport Masterplan (2014). The Innovation Park Medway Delivery Board will ensure that the scheme is delivered in line with the 2014 masterplan and other relevant policy and guidance. Where appropriate, consultation will be undertaken on the potential way forward with the scheme. Cabinet will be asked for approval to consult wherever public consultation is necessary.

6. Financial implications

- 6.1 There are no financial implications arising from this report.

7. Legal implications

- 7.1 Requirements under the Local Government and Housing Act 1989 concerning political proportionality do not apply to the membership of Cabinet Advisory Groups. It is a matter for Cabinet to establish and/or remove such groups as appropriate, as well as determine their size and composition.
- 7.2 As a Cabinet Advisory Group, the IPM Delivery Board will not be a decision making body. It may make recommendations which will either be implemented under existing officer delegations or referred for decision by the Council, Leader and Cabinet or other Committees as appropriate and in accordance with legal and constitutional provisions. Medway Council will make decisions in its role as landowner, however in some circumstances, recommendations will also need to be considered and agreed by other bodies such as SELEP and Tonbridge and Malling Borough Council and this will be mapped for each issue. This could include approval of the masterplan as this applies to both local authority areas, for example.

8. Recommendations

- 8.1 That Cabinet approve the establishment of the Innovation Park Medway Delivery Board as a Cabinet Advisory Group, with the Terms of Reference and proposed membership as set out in Appendix 1 to the report.

8.2 That Cabinet delegate authority to the Chief Executive to finalise the membership of the Innovation Park Medway Delivery Board, in consultation with the Leader.

9. Suggested reasons for decisions

9.1 An Innovation Park Medway Delivery Board will provide improved coordination and oversee progress of the regeneration at Rochester Airport and development of Innovation Park Medway, ensuring that the aspirations for the site can be achieved.

Lead officer contacts

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Appendices

Appendix 1: Terms of Reference

Background papers

None

APPENDIX 1

Innovation Park Medway (IPM) Delivery Board: Terms of Reference DRAFT November 2017

Background

The Rochester Airport Masterplan was adopted by Medway Council in January 2014. It sets the vision for the site as follows:

Rochester Airport and adjoining land will be developed as a strategic gateway and economic hub. The existing general aviation airport will be retained and improved and high value economic activities provided on surplus land to create skilled employment opportunities. This will capitalise on the presence of the existing BAE facility. An opportunity to enhance working aviation heritage facilities as a public visitor attraction will also be achieved. The open outlook provided by the airport will be retained and improved. Over the longer term reinvestment will be encouraged on the Laker Road and Airport industrial estates and other adjoining sites. This will establish Rochester Airport as an economic location of real significance and a model for the area.

The aspirations for the site include:

- High quality development and innovative adaptable environment
- A strategic gateway and economic hub
- High GVA
- Skilled local employment opportunities and graduate retention
- Place, space and innovation
- A collaborative 'city of business' environment

Medway Council has been awarded over £8m of Local Growth Fund (LGF) investment to deliver the Innovation Park Medway over two phases.

Phase 1 (£4.4m) will see the creation of a new paved runway, improved hangar space, and the building of a new control tower and airport hub.

Phase 2 (£3.7m) will see the installation of site infrastructure, including access roads and water and electricity supply.

It is anticipated that further funding will also be identified to take forward IPM, which will not necessarily be SELEP or LGF funded.

Innovation Park Medway is part of a wider group of Enterprise Zones (EZ) for Kent, called the North Kent Enterprise Zone. This includes Kent Medical Campus in Maidstone, and sites at Ebbsfleet Garden City covering Gravesham and Dartford boroughs. Each EZ area is accountable for its development against a set of ambitions and Key Performance Indicators. The co-ordination of the EZ areas is being conducted by Thames Gateway Kent Partnership (TGKP) with input from Local Authority officers in each area.

Purpose of Group

The IPM Delivery Board has been established as a Cabinet Advisory Group to coordinate and oversee progress of the regeneration of Rochester Airport and delivery of Innovation Park Medway. The Delivery Board will drive implementation of

the EZ in line with funding streams and appropriate mechanisms. It will be supported by the IPM Officer Group.

The remit of this group is to:

- keep under review strategies to regenerate the Rochester Airport site.
- coordinate regeneration initiatives, projects and funding streams related to IPM and the Rochester Airport site.
- make recommendations on external funding opportunities.
- ensure all appropriate development opportunities are appraised and pursued as appropriate.
- progress development of Innovation Park Medway as appropriate.
- ensure a positive message regarding IPM is effectively communicated.

It will also receive updates on key issues relating to the development of the IPM site / NKEZ, namely:

- Planning
- Finance
- Procurement
- Contract Management
- Stakeholder Engagement
- Local Development Order and Masterplan
- Branding and Marketing

At all times the group should ensure that appropriate stakeholder engagement has taken place.

Decision-Making Processes

As a Cabinet Advisory Group, the IPM Delivery Board will not be a decision making body. It may make recommendations which will either be implemented under existing Medway Council officer delegations or referred for decision by the Council, Leader and Cabinet or other Committees as appropriate and in accordance with legal and constitutional provisions. Medway Council will make decisions in its role as landowner, however in some circumstances, recommendations will also need to be considered and agreed by other bodies such as SELEP and Tonbridge and Malling Borough Council and this will be mapped for each issue. This could include approval of the masterplan as this applies to both local authority areas, for example.

Decision-making processes relating to external funding or the EZ should also be considered, as outlined in appendix A. Future funding sources will also need to be reflected should these have alternative reporting structures.

If SELEP approval is required, LGF Project Protocol 3 – Change Management Arrangements will apply. In such instance, the IPM Delivery Board will report its recommendation back to the IPM Officer Group, which then triggers the formal LGF change process by referring the decision to the LGF Project Steering Group (and onwards in accordance with the Change Management protocol).

The relationship between these groups is shown in Appendix A.

All matters coming before the Board shall be decided by a majority of the Board present and voting thereon at the meeting. In the case of an equality of votes, the chairman or person presiding shall have a second or casting vote.

Membership

The IPM Delivery Board will consist of representatives with strategic interest in the IPM, as follows:

- Local Authorities
- Landowners
- Development Partners
- Industry
- Higher Education

Cllr Alan Jarrett	Leader of Medway Council (Chair)
Cllr Rodney Chambers	Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships
Cllr Jane Chitty	Portfolio Holder for Planning, Economic Growth and Regulation
Neil Davies	Chief Executive, Medway Council
Richard Hicks	Director, Regeneration, Culture, Environment and Transformation, and Deputy Chief Executive Tonbridge and Malling Borough Council
Cllr Brian Luker	Higher Education, University of Kent
Carole Barron	Higher Education, University of Greenwich
Martin Snowden	Locate in Kent.
Paul Wookey	

and one or more of the Chair or Vice Chairs from the IPM Officer Group. Officers and other stakeholders will also be in attendance as required, reflecting the specific meeting agenda.

Administration

Reflecting the strategic importance of the IPM and the external funding awarded to this project, the IPM Delivery Board will be chaired by the Leader of Medway Council.

The Regeneration Delivery Team will be responsible for preparing and agreeing the agenda, setting meeting dates, and taking minutes.

Agendas will be circulated at least one week prior to the IPM Delivery Board meeting, following a template report format.

The IPM Delivery Board will meet quarterly.

Declaration of Interests

Declarations of interest will be recorded in the minutes of the meeting.

Medway Councillors and officers must act in accordance either with the Members' Code of Conduct or other provisions in the Council's Constitution as applicable.

Members of the Board representing external organisations must declare any financial or other significant interests that they may have before discussion of items. Action should be taken to resolve any conflicts of interest which should include not taking part or voting and withdrawing from the meeting in cases where a financial or other significant interest arises in relation to any business under consideration by the Board.

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Appendix A: Reporting Structure

