

REGENERATION, CULTURE AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE

23 JANUARY 2018

ATTENDANCE OF THE PORTFOLIO HOLDER FOR INWARD INVESTMENT, STRATEGIC REGENERATION AND PARTNERSHIPS

Report from: Portfolio Holder for Inward Investment, Strategic
Regeneration and Partnerships Councillor Rodney
Chambers, OBE

Summary

This report sets out progress made within the areas covered by the Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships Councillor Rodney Chambers, OBE which fall within the remit of this Committee.

1. Background

1.1 The areas within the terms of reference of this Overview and Scrutiny Committee covered by the Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships Councillor Rodney Chambers, OBE are:

- Inward investment
- Strategic Regeneration and Planning
- Strategic Partnerships
- Local Growth Fund
- Medway Ambassadors
- Heritage Champion

1.2 Achievements for 2017 are detailed by service area below:

2. Inward Investment

- 2.1 Medway Council opted to increase its level of financial support for inward investment in 2015 in order to raise its profile as a desirable location for businesses. Medway Council and Kent County Council (KCC) worked in partnership to procure a new inward investment contract worth £3 million over three years, which commenced in August 2016. Medway Council will contribute £210,000 over the contract period. Medway Council was fully involved in the tender assessment to select Locate in Kent as the preferred service provider. KCC and Medway Council Economic Development Officers hold monthly contract management meetings with Locate in Kent to monitor performance. The Director of Regeneration, Culture, Environment and Transformation and Deputy Chief Executive is a Board Member of Locate in Kent.
- 2.2 A significant inward investment attractor to businesses has been the successful award of Enterprise Zone status for Rochester Airport. This will allow companies that locate to the site to benefit from up to £55,000 in business rates relief per year, for a maximum period of five years (total maximum incentive £275,000 per business). Central government will reimburse the cost incurred by Medway Council in providing this discount.
- 2.3 Overall, 2017 was a good year for Medway for successful investments and jobs created and retained. Four new companies invested in Medway, creating 333 new jobs and retaining 19 jobs. It is significant that two of these are direct foreign investments: Protein Dynamics from China produce sports nutrition supplements and Pacadar from Spain (based at Thamesport) manufacture concrete segments for the Thames Tideway project.

Details of the companies that were assisted by Locate in Kent to invest in Medway during 2017 are given in Table 1 below.

Table 1: Companies investing in Medway, January to December 2017

Company	Nature of Success	Jobs Created (3 Years)	Jobs Retained	Sector	Sq. Ft.	Country of Origin
Wincanton Logistics	Expansion into Medway	200		Transport & Distribution	265,000	UK
Protein Dynamix	Expansion into Medway	3	9	Health	5,000	China
UK Cycle Centre	Expansion into Medway	30	10	On-line retail	5,000	UK
Pacadar	Expansion into Medway	100		Construction		Spain

- 2.4 In addition to the companies assisted by Locate in Kent, a number of retailers invested in new or additional units in Medway, including Maplins, B&M, Starbucks, M&S Food, McDonalds and Aldi. These new investments created a total of 211 full time equivalent jobs. Also, car dealership Motorline opened

on Gillingham Business Park and Robins & Day relocated to the park from Rochester. These investments created 22 jobs and retained a further 22.

- 2.5 In total therefore, 566 jobs were created during the period, and 41 retained (this compares to 318 created and two retained in the previous year).

3. Strategic Regeneration & Planning

The Portfolio Holder is responsible for securing strategic investment to aid the delivery of the Local Plan and regeneration vision.

- 3.1 The following provides an update on current strategic regeneration schemes in Medway:

3.1.1 Rochester Riverside

In March 2017, a Development Agreement was signed between Medway Council, the Homes and Communities Agency and Countryside Properties, (working with The Hyde Group) to take forward the development of Rochester Riverside. Planning permission was received in October 2017 and the related Section 106 agreement will be signed in December 2017. Up to 1,400 homes are scheduled to be built. There will also be a new school, nursery, hotel, restaurants, gym, office space and a number of retail units. Construction began on site in November 2017 with various surveys being completed for the site and the initial set up of the site offices.

3.1.2 Chatham Waterfront Development Site

The Council has acquired the necessary interests to bring forward Chatham Waterfront Development site aside from a small area of land which is currently not registered. It has been agreed that this can be acquired via the CPO process – this is scheduled to be completed in February 2018. Outline planning permission was granted in March 2017.

It has been agreed that the Medway Council Housing Company (Medway Development Company Ltd) will complete the scheme.

3.1.3 Chatham Placemaking

Works related to the £4 million Local Growth Fund investment began on site in June 2017 and are scheduled to complete in June 2018 (this extended timescale was approved to minimise disruption to the Battle of Medway commemorations, and over the Christmas period). Improvements include an enhanced railway station forecourt area, improved links between Chatham Railway Station and town centre and waterfront, and provision of a new civic space.

The old fire station arches have been purchased as part of the capital programme to complement the LGF works, and a planning application was submitted in October 2017, including change of use.

3.1.4 Strood Waterfront

£3.5 million LGF funding was provisionally allocated in 2016/17, subject to approval of the final business case, to provide flood mitigation measures at the Strood Civic site, and to prepare for the area's transformation into prime, high quality residential land. The Business Case was submitted in November 2017 to the South East LEP, with a decision expected in February 2018.

The mixed use development is expected to create a total of 922 new jobs and 564 new homes.

Public consultation on the revised master plan was launched in December 2017, with anticipated adoption in summer 2018.

The planning application for the flood defences was approved in November 2017, with an anticipated start on site of February 2018.

Officers submitted a One Public Estate bid to fund part of the flood defence scheme, with a decision expected early 2018.

The Innovation Studios Medway at Strood opened in August 2017. All 15 business units were let within six weeks, significantly ahead of target. Storage unit rental is meeting the target of 50% occupation.

3.2 Work began in 2017 on a refreshed Regeneration Vision for Medway, to complement the forthcoming Local Plan. This will be a suite of three documents which link the policy context for regeneration activity within Medway to specific work programmes. These documents are intended as follows:

- **The Vision:** a high-quality, visually-exciting brochure setting out the headline regeneration ambitions and objectives for Medway within priority areas.
- **The Regeneration Delivery Plan:** the framework for delivering the objectives, setting out short, medium and long-term actions.
- **The Annual Action Plan:** the work programme for the forthcoming year identifying actions across a range of council departments and by partners.

The first of these documents will be developed for public consultation in early 2018, alongside the next stage of consultation on the Local Plan.

4. **Strategic Partnerships**

4.1 Medway Council was successful in securing £33 million of Round 1 and 2 Local Growth Funding via the South East Local Enterprise Partnership (SELEP) for six Medway projects. In March 2017, Medway was provisionally allocated £7.2m for two further projects. These are Rochester Airport phase 2 – site enabling infrastructure (£3.7m) and Strood Civic Flood defences (£3.5m).

4.2 In addition, in November 2017 Medway Council was provisionally allocated £650K Growing Places Funding via the SELEP for further infrastructure works at Rochester Airport. This is subject to further scrutiny of financial

viability.

- 4.3 The North Kent Enterprise Zone strategic board continues to meet, with Medway Council represented by myself and the Leader. The Board oversees the governance arrangements for the overall Enterprise Zone, and reports on key performance indicators.

5. Medway Ambassadors

- 5.1 The Medway Ambassadors have continued to meet with myself and key officers from Regeneration Delivery to hear and learn more about the Council's live regeneration projects and also to input to forthcoming external investment bids such as the Coastal Communities Fund. To ensure the best use of the ambassadors' time the current programme of activities comprises three less formal meetings a year (which have looked at Rochester Riverside and Strood Waterfront development) supported by one formal showcase event. This showcase event is when ambassadors attend a regeneration market place event to talk direct to a range of officers about a range of issues.

6. Heritage Champion

- 6.1 Operational responsibility for heritage lies with the Deputy Leader and Portfolio Holder for Housing and Community Services.
- 6.2 The role of Heritage Champion is a strategic role, promoting heritage in Medway and working with key partners to ensure a joined-up approach and to encourage links between heritage, regeneration, planning and inward investment.

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Appendices

None

Background documents

None