

REGENERATION, CULTURE AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE

15 OCTOBER 2020

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

Portfolio Holder: Councillor Rodney Chambers (OBE), Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships

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:

- External Funding including Local Growth Fund
- Heritage Champion
- Inward investment
- Medway the Place
- Strategic Partnerships
- Strategic Regeneration and Planning.

1.2. Achievements for 2019 are detailed by Service area below:

2. External Funding including Local Growth Fund

2.1. We have secured £170m through the Housing Infrastructure Fund to support the delivery of 10,600 homes by providing road, rail and environmental infrastructure on the Hoo Peninsula. The Ministry of Housing, Communities and Local Government (MHCLG) confirmed the allocation in November 2019 and the Grant Determination Agreement was signed in July 2020.

2.2. A successful bid to Historic England for the High Streets Heritage Action Zone Fund will see £3.2 million invested into Chatham Heritage Creative Quarter

(also known as Chatham Intra), to bring back to life the history and character of the area and restore historic buildings including Chatham House. The Grant Determination Agreement was signed in May 2020.

- 2.3. A successful bid was made to the Construction Industry Training Board for £20,000 for a pilot to provide skills and training to the long term unemployed, NEETs, care leavers and young offenders, which addresses the shortage of scaffolders in Medway with construction being a priority sector. Working in partnership with Mid Kent College to deliver the training, local scaffolding employers will also support the programme by offering employment opportunities.
- 2.4. After submitting a successful Expression of Interest to MHCLG for the Future High Streets Fund, a Green Book Appraisal Business Case was submitted in May 2020. The bid is for £13.83m of funding, which will be used to make physical interventions to Chatham Town Centre to transform and reinvigorate the High Street. MHCLG are due to make announcements of successful funding awards in Autumn this year.
- 2.5. A £2-3m Expression of Interest is being developed for the 'Whose Hoo' heritage project on the Hoo Peninsula looking at a range of community/ heritage projects including Slough Fort, tree planting, paths, cycleways and community engagement. Submission for this Expression of Interest has been delayed as a result of COVID-19, the National Lottery Heritage Fund have encouraged the Council to continue to develop the bid with a view to submit in November 2020.
- 2.6. Since the introduction of Local Growth Funding (LGF) in 2015, Medway Council has secured £30.9m LGF investment to deliver a programme of projects.
- 2.7. Recently delivered LGF projects include: Strood Civic Flood defences which used £3.5m LGF to flood protect the site and enable the delivery of 564 new homes, Medway Cycling Action Plan which used £2.5m LGF and delivered 13.6km of newly built cycle route across Medway, and Chatham Placemaking Package which used £4.2m LGF for public realm enhancements and improved connectivity to Chatham Railway Station.
- 2.8. Projects currently underway include: Strood Town Centre journey times and accessibility enhancements which was awarded £8.6m LGF to deliver public realm, highways and accessibility improvements; Medway City Estate connectivity improvement measures which was awarded £2.2m LGF to deliver traffic signal improvements and a slip road; Rochester Airport which was awarded £4.4m LGF to improve infrastructure to enable the delivery of Innovation Park Medway and; Innovation Park Medway which was awarded £3.7m for site infrastructure to enable the delivery of 100,000sqm of high quality commercial floorspace. The South East Local Enterprise Partnership (SELEP) Accountability Board has also awarded a further £1.5m LGF to the Innovation Park Medway project, to deliver Phase 3 extended infrastructure for the site.

- 2.9. Medway Council also submitted a successful bid to SELEP for £1.99m Getting Building Fund investment in June 2020, for Britton Farm Mall. The project aims to provide a learning, skills and employability hub with state-of-the-art digital facilities on the upper floor of Britton Farm Mall above the Kent and Medway NHS Social Partnership (KMPT) offices. It will also support the delivery of 44 affordable homes on the former loading bay, as well as public realm improvements contributing to the revitalisation of Gillingham High Street.
- 2.10. Since the introduction of Growing Places Fund (GPF) loan funding in 2015, Medway Council has been awarded over £8m of loan funding for three projects: Chatham Waterfront £2.999m GPF, Rochester Riverside £4.41m GPF and Innovation Park Medway £0.65m GPF. Medway Council also supported a successful application for a loan of £0.55m for the Fitted Rigging House project with Chatham Historic Dockyard Trust.

3. Inward Investment

- 3.1. Medway Council increased its level of financial support for inward investment to £70K p.a. in 2015, in order to raise its profile as an attractive location for businesses. Medway Council and Kent County Council (KCC) jointly oversee an inward investment contract with Locate in Kent, which due to the pandemic has been extended until March 2021.
- 3.2. We are now preparing to retender our inward investment contract. Medway Council has again committed £70K p.a. for the new contract period, which will be for three years, with the option to extend for a further two.
- 3.3. The main aim of the contract is to develop innovative and creative solutions to secure inward investment in Medway and Kent, with key features as follows:
 - Securing external investment into Medway to create jobs
 - Promoting Medway to overseas markets
 - Maintaining close contact with investing businesses through an aftercare programme.
- 3.4. The core contract has been supplemented by European Structural Investment Funds (ESIF) totalling £1.75m since 2016. In 2019, Medway Council, KCC and East Sussex County Council submitted a bid for £2.5m for the continuation of this funding until summer 2023. This bid was approved in March 2020.
- 3.5. A significant inward investment attractor to businesses has been the award of Enterprise Zone status for the Innovation Park Medway (IPM). Companies that locate on the site can benefit from up to £55,000 in business rates relief per year, for up to five years. Central government will reimburse the cost incurred by Medway Council in providing this discount, and in addition the Council will retain 100% of business rates uplift on the site for 25 years. Given the shocks to the economic landscape caused by Covid-19, Medway Council is currently supporting the Thames Gateway Kent Partnership and the LEP

Network in lobbying government for a timeframe extension to Enterprise Zone benefits.

- 3.6. Development preparation of IPM continues with the site masterplan and Local Development Order (LDO) which will offer further incentives to businesses from a streamlined planning system. Interest in the site remains buoyant and marketing agents for the site have been appointed.
- 3.7. Overall, 2019 was a strong year for Medway with successful investments resulting in jobs created and retained. The major success is Amazon who have built a new facility at London Medway Commercial Park at Kingsnorth. Last year's report showed 200 jobs created by Amazon in Medway. Medway Council officers visited the site in July 2019, and Amazon reported the total creation of 700 jobs, of which 80% are full time. Part time jobs have been recorded as 3 to full time equivalent, bringing the total jobs recorded for Amazon to 606.
- 3.8. During 2019, a total of 520 jobs were created and retained in Medway (441 created and 79 retained) compared to 532 in the previous year.
- 3.9. Of the jobs created, 436 came from the Locate in Kent contract (406 at Amazon, and 30 at Chapman BDSF in the Historic Dockyard). The balance of jobs created arose from our in-house business support work, including grants and loans, and the services offered at the Innovation Centre Medway.
- 3.10. During Quarter 1 of 2020/21 there have been no new Inward Investments to report due to businesses putting major decisions on hold due to the Coronavirus.

4. Strategic Partnerships

- 4.1 Throughout 2019, Medway Council supported the review of the South East Local Enterprise Partnership's (SELEP) structure, in line with Government expectations, leading Cllr Chambers to be appointed as a Director of SELEP Ltd, effective March 2020. We have continued to support SELEP with their development of the South East Local Industrial Strategy (LIS), and are poised to support the formalisation of SELEP's emergency response measures introduced in light of the pandemic as the LIS takes on the form of a renewal and resilience plan.
- 4.2 The North Kent Enterprise Zone (NKEZ) consists of three sites in Kent, including the Innovation Park Medway. The NKEZ Strategic Board is chaired by Bernard Spring and continues to meet with Medway Council represented by Cllr Chambers and the Leader. The Board oversees the governance arrangements for the overall Enterprise Zone, and reports on key performance indicators. NKEZ administrative support is provided by Thames Gateway Kent Partnership, and NKEZ marketing through Locate in Kent. The Thames Gateway Kent Partnership are currently leading on approaches to government to extend fiscal incentives stemming from Enterprise Zone status, with our full support.

- 4.3 Through the co-development of successful Expressions of Interest and Business Cases for Housing Infrastructure Fund, Future High Streets Fund, Heritage High Street Action Zone and Getting Building Fund investment, we have continued to develop and strengthen relations with MHCLG, Historic England, Homes England, Highways England and Natural England.
- 4.4 Covid-19 response and recovery work has facilitated the strengthening of partnerships across Medway, with a number of external partners joining and supporting the Medway Economy and Infrastructure Recovery group, including Kent Invicta Chamber of Commerce, Medway for Business, Chatham Town Centre Forum, higher and further education representatives, RBLI (representing the Voluntary and Community Sector) and Thames Gateway Kent Partnership.

5. Strategic Regeneration and Planning

- 5.1 The success of the bid for £170 million of infrastructure funding from the Government's Housing Infrastructure Fund (HIF) is a huge step forward in the delivery of the New Local Plan. The Council published an updated Strategic Land Availability Assessment in December 19, reflecting the success of the HIF bid in providing conditions for development on the Hoo Peninsula. Work is progressing the evidence base for the Local Plan, including a Strategic Transport Assessment, Habitats Regulation Assessment and Sustainability Appraisal.
- 5.2 Medway 2035 sets out the Council's regeneration strategy and was adopted as part of the evidence base for the Local Plan in December 2018. It will be updated as *Medway 2037* throughout late 2020 and early 2021, in light of key recent milestones such as the HIF funding, and the unfolding changes to the economic landscape caused by Covid-19.

6. Rochester Riverside

- 6.1 In March 2017, a Development Agreement was signed between Medway Council, the Homes and Communities Agency (HCA) and Countryside Properties, (working with The Hyde Group) to progress the development of Rochester Riverside. Planning permission was granted in October 2017 and the related S106 agreement was signed in January 2018. Up to 1,400 homes will be built, as well as a new school, nursery, hotel, restaurants, gym, office space and retail units. Construction began in November 2017, with Phase 1 transferred in April 2018, and Phase 2 completing in November 2018; almost one year ahead of schedule.
- 6.2 Travelodge, a Co-op and Costa store have opened ahead of schedule. Construction of the homes continues with a health and safety social distancing plan in place. To date, 160 homes have been occupied on the site.

- 6.3 Phase 3 price testing has been submitted and land draw down for Phase 3 is targeted for October 2020. The Phase 3 planning application has been approved by delegation.
- 6.4 Planning consent for the 1 Form Entry (FE) was granted in April 2020. Countryside have negotiated the construction contract for this. Countryside are in discussions with the Council's Education Team and the Department for Education, for a potential second FE school.
- 6.5 At the 2020 Housing Design Awards, Rochester Riverside won the Healthy Living Award and the Overall Winner of Winners award.

7. Chatham Placemaking

- 7.1 Local Growth Fund (LGF) investment of £4.2m funded works in Chatham town centre and the Chatham railway station forecourt, which began on site in June 2017 and have now been delivered.

8. Strood Waterfront

- 8.1 In February 2018, £3.5m LGF funding was awarded for flood risk management works to enable the regeneration of the former Civic Centre site. The flood defences enable the development of the brownfield Civic and Riverside sites. Works on both sites are now complete, with the exception of the installation of the floodgate on the Civic site (which will be complete once the Rochester Bridge Trust works have ended), and finalising the car park detail at Strood Railway Station on the Riverside site; both of these elements are anticipated to be complete by the end of 2020.
- 8.2 Marketing of the Civic site began in January, and a development partner is expected to be appointed by the end of 2020. Once complete, the marketing for the Riverside site will follow; it is intended that this approach will increase interest in Strood and avoid saturating the market. In addition, this will be considered in the light of emerging marketing information during and post COVID.

9. Innovation Park Medway

- 9.1 Phase 1 of the Innovation Park Medway (IPM) was awarded £4.4m LGF funding for Rochester Airport improvement works. The delivery of the works will release the land required for the creation of IPM.
- 9.2 SELEP awarded £650,000 from its Growing Places Fund (GPF) loan, in order to deliver the enabling infrastructure required to bring forward development of the southern site at IPM, which is anticipated to be completed in 2021.
- 9.3 Work is underway on a Local Development Order (LDO), which is a simplified planning mechanism with truncated approval timescales. Following LDO consultation, there are outstanding comments to be addressed from statutory

consultees, such as Highways England (HE) and Natural England (NE). Officers have met with HE and have made progress to address their comments. Adoption of the LDO is anticipated late 2020.

- 9.4 IPM was awarded £3.7m LGF round 3 funding in February 2019. Design work is underway for the associated infrastructure works and contractors will start on site once the LDO has been adopted.
- 9.5 The following benefits are expected to be achieved through IPM LGF3 investment:
- To bring forward 1,365 new highly-skilled employment opportunities in engineering and technology, with the first jobs being delivered in 2021. These jobs will facilitate the upskilling of the local workforce.
 - Development on the site will deliver commercial workspace totalling approximately 38,500m² (gross external area).
 - The site will be enabled for future occupants, via delivery of the first section of the enabling infrastructure.
 - The project will encourage businesses to the site where they can benefit from Enterprise Zone status. The site will be actively marketed in 2020/21, with an emphasis on the benefits available to companies who invest within an Enterprise Zone.
- 9.6 SELEP have allocated £1.5185m LGF3b funding. Once awarded, LGF3b will fund enabling infrastructure works on the second section of the northern site. This will be twin-tracked with the LGF3 funded infrastructure works. The works will include: extended access roads and footpaths; drainage and water; new primary substation; a number of secondary substations to be agreed with UKPN based on capacity; gas; and trenching for broadband.
- 9.7 Once awarded the following benefits are expected to be achieved through IPM LGF3b investment:
- To bring forward 1,300 new highly skilled jobs in engineering and technology, with the first construction jobs being delivered in 2021 linked to the LGF3 outcomes. These jobs will facilitate the upskilling of the local workforce.
 - Development on the site will deliver commercial workspace totalling approximately 37,200m² (gross external area).
 - The site will be enabled for future occupants, and this project will deliver the second section of the enabling infrastructure on the northern site. The site will be enabled by December 2021 but there could be some overlap where plots can come forward in advance of this, subject to access arrangements.
 - The project will encourage businesses to the site where they can benefit from Enterprise Zone status. The site will be actively marketed in 2020/21, with an emphasis on the benefits available to companies who invest within an Enterprise Zone.
- 9.8 Medway Council has allocated £14.5m towards the delivery of the first gateway building on the IPM site, one of three capital schemes set out in the Delivery and Investment Plan. This project is currently paused whilst the

impacts of Covid-19 are reviewed to consider market changes and potential design amendments to best accommodate future uses.

10. Skills

- 10.1 The Medway Skills Partnership Boards continue to drive forward the skills programme. Consisting of an Officers' Board, a Members' Board and a newly formed Skills Stakeholder board, the structure is in place to ensure the delivery of the Skills & Employability Plan for Medway.
- 10.2 In October 2019, Medway's inaugural Skills Summit was held, bringing together business and education to create better skills outcomes. It was a successful event, with over 130 attendees discovering how they can work together to improve skills outcomes.
- 10.3 Central to ongoing work is bringing schools, college and businesses together through an Enterprise Coordinator, which has seen all secondary maintained schools in Medway join our network and be matched to a senior business person who advises the school on careers strategy.
- 10.4 A new Medway Apprenticeship Advice Service has been commissioned for 2020/2021 to support businesses in navigating the apprenticeship system. Skills information is now available on the new Medway for Business website which enables businesses to benefit from our range of projects. This started in September 2020 and is ever more crucial in the current employment landscape.
- 10.5 Funding has been secured from the Construction Industry Training Board, for an employability and scaffolding training programme, with guaranteed job outcomes for those who complete. This has been delayed due to COVID-19, but will start in late September/early October.
- 10.6 Medway Council contributed to the organisation of a careers fair hosted by Rainham Mark Grammar School and Highsted Grammar School at Detling Showground which saw over 1300 students discover more about the world of work.
- 10.7 Work is underway to host a virtual business event, providing training and information for businesses about how they can provide opportunity to Care Leavers. It will be focused around the Care Leaver covenant and will be held in Care Leavers week. The afternoon will consist of mock interviews between businesses and young people.
- 10.8 £100,000 funding has been secured to commission a Supported Employment service, with the goal of supporting 60 people with learning disabilities or Autism into paid employment. This has started in August 2020 and will run for a pilot year.

10.9 Medway Council is contributing to a Kent and Medway Employment Taskforce, designed to respond to a growing employment crisis in a Post-COVID-19 world. Councillor Rodney Chambers OBE is the Deputy Chairman.

11. Medway the Place

11.1 Medway Place Board

The Place Board brings together key organisations and individuals across Medway and is chaired by Simon Cook, Principal and Chief Executive of Mid Kent College. The Board oversees the development of the Medway place plan and provides a continuing senior and strong presence, representing Medway across networks and playing an active role in promoting Medway as a great place to live, work, learn and visit.

11.2 Medway place board aims are:

- Promoting Medway's potential so that our communities can realise theirs.
- Engaging with our communities and young adults to improve local pride.
- Attracting inward investment through targeted marketing campaigns.

11.3 The Place Board has an overarching role in supporting the development of Medway as a great place to live (supported by the Cultural Partnership), work (supported by the Medway for Business Partnership), learn (supported by the Medway Learning Partnership) and visit (supported by the Medway Tourism Association).

11.4 Medway Champions

We have 200 Medway Champions, with 5 new champions joining in July and August.

11.5 Meetings

We held the last two champions meetings on Zoom (May and July) with an excellent audience of 45 and 53 respectively attending to hear talks from Medway Voluntary Action and Kent Sussex Surrey Air Ambulance in May as well as an update on our City of Culture bid in July. There was positive feedback from our champions around engagement and meeting content. The meeting in September included an update from Richard Hicks, Director of Place and Deputy Chief Executive around Medway's regeneration proposals and exciting future, as well as a guest speaker from Visit Kent.

11.6 Campaigns

Our 'Thank You Medway' video promoting how Medway communities have supported each other during this pandemic, went live end of July. The video was shared on social media and was watched:

1,450 views on twitter
5,800 views on Facebook
114 views on Instagram
221 views on YouTube
The video was re-shared over 150 times
Overall reach 20,000 people.

Re-discover Medway this Summer

'Re-discover Medway this Summer' marketing campaign went live promoting locations across Medway throughout August encouraging residents to rediscover where they live as they undertake a staycation. We had good engagement from all social media platforms – gaining new followers (100 new followers on Instagram and 50 on twitter).

11.7 Digital

Since the Place Branding Project started in November 2018 these are now the numbers for our social media platforms:

Twitter: @wearemedway: 595 followers
Instagram: @wearemedway: 719 followers
Facebook: @wearemedwaychampions: 506 followers/likes
www.wearemedway.co.uk is gaining increasing visits.

11.8 Medway relationship development

We have developed new relationships with key organisations and individuals, sharing the Medway Story, providing information about the Place Board and our priorities being pursued for Medway. We are now part of the SECEN (South East Creative Economy Network) and attend bi-monthly meetings.

11.9 Projects where Medway Place is involved

Rochester Riverside Community Board

The Rochester Riverside Community Board oversees funding for community projects across Rochester. With an annual budget of £30,000 available for selected projects, the Board helps to bring to life worthwhile initiatives and ideas that will enhance the local area.

The community board ensures that the community funds are allocated to local stakeholders and organisations through a robust and transparent application process.

We have had two virtual board meetings awarding community projects.

Creative Estuary Place Branding Steering Group

The Creative Estuary project ambition is simple: to transform 60 miles of the Thames Estuary across Essex and Kent into one of the most exciting cultural hubs in the world.

We are involved with the Creative Estuary Place branding workshops, developing a narrative and brand for the area.

Lead officer contact

Richard Hicks, Director of Place and Deputy Chief Executive, Medway Council, T:01634 332764, and email: richard.hicks@medway.gov.uk.

Dawn Hudd, Assistant Director Regeneration, Medway Council, T:01634 338121, and email: dawn.hudd@medway.gov.uk.

Appendices

None.

Background papers

None.