

#### Cabinet

## 21 October 2025

# **Visitor Economy and Inward Investment services**

Portfolio Holders: Councillor Nina Gurung, Portfolio Holder for Heritage, Culture

and Leisure

Councillor Harinder Mahil, Portfolio Holder for Economic and

Social Regeneration and Inward Investment

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## Summary

This report provides an update on partnership work undertaken by officers around visitor economy and inward investment since the closure of both Visit Kent and Locate in Kent. It seeks Cabinet approval to proceed with a joint delivery model that safeguards regional competitiveness, retains key assets and prepares the ground for future devolution.

#### 1. Recommendations

- 1.1. Cabinet is asked to agree the proposed approach to supporting visitor economy and inward investment activities, in partnership with Kent County Council.
- 1.2. Cabinet is asked to agree to delegate authority to the Director of Place, in consultation with the Portfolio Holder for Heritage, Leisure and Culture and the Portfolio Holder for Economic and Social Regeneration and Inward Investment, to proceed with this partnership arrangement and ensure that appropriate measures are established to secure positive results for Medway.
- 2. Suggested reasons for decision
- 2.1. Our work on visitor economy and inward services has been supplemented by activities led by Visit Kent and Locate in Kent since the Council's inception. There is an opportunity to continue good work in partnership with Kent County Council and to work together to retain some of the important assets previously held by both organisations.
- 2.2. The establishment of an in-house team has been determined as the most expeditious and effective way forward for the period up to March 2027. The

team will have a footprint in Medway and our engagement will not require any budget beyond that which has previously been allocated to this area of work.

## 3. Budget and policy framework

- 3.1. Provision was previously made in the Regeneration, Culture and Environment (RCE) Budget for 2025/26 and 2026/27 for £50,000 per annum to be available to support joint activities around visitor economy and inward investment, with Locate in Kent and Visit Kent being the organisations commissioned to deliver these services in 2025/26.
- 3.2. The funding used to support activities up to 31 March 2026 will be the residual funding unclaimed by both organisations at the point at which they closed. Held by Kent County Council, this is approximately £180,000. Notionally, the Medway element of this is around 10%.
- 3.3. The agreement for 2026/27, mirroring that of 2025/26, is that Medway will contribute £50,000 to the joint activities, with Kent County Council contributing £450,000, subject to their decision-making processes, providing a £500,000 budget overall. Kent County Council will also carry the administrative burden of recruiting the team.
- 3.4. Staff members formerly employed by the two defunct organisations are currently redundant and the expedited first round of recruitment led by Kent County Council will be ringfenced to those members of staff given the experience that they could bring to the new team.
- 3.5. The proposals are consistent with the provisions of the One Medway Council Plan, in particular the priority around working in partnership with our partners, therefore, this is a matter for Cabinet.

# 4. Background

- 4.1. In response to the closure of Visit Kent and Locate in Kent in September, together with Kent County Council, we are working on the urgent reinstatement of a Visitor Economy and Inward Investment service to cover the whole Kent and Medway area.
- 4.2. The recommended approach is to establish a new, partnership-led, in-house team that will deliver essential services to support tourism and attract business investment across our area, working closely with our teams.
- 4.3. The proposed service will focus on destination marketing, sector coordination, market intelligence and investor engagement. It aims to maintain Kent and Medway's competitiveness in this area and could offer a blueprint for the delivery of similar services in any future devolution arrangements.
- 4.4. We will utilise remaining 25/26 budgets to launch a minimum viable service with potential for private sector contributions to expand the offer in 2026/27 and beyond.

- 4.5. We are working with Kent County Council colleagues to ensure that Medway's influence is strongly reflected on the new team and that it delivers for us accordingly. These measures include the establishment of an officer-led Joint Oversight Board to steer activities and review KPIs, the establishment of at least one secondee into Medway Council and the undertaking that all members of the team operate flexibly and are enabled to spend at least one working day a fortnight in Medway.
- 4.6. Kent County Council, via the Cabinet Member for Economic Development and Coastal Regeneration, is seeking a similar decision on this matter, a link to which is included in the background papers at the end of this report, including the report and Equalities Impact Assessment

## 5. Options

5.1. Medway Council officers hosted a workshop with Kent County Council colleagues on 16 September where all options for picking up visitor economy and inward investment activities were considered. In broad terms, they can be summarised as follows:

Option	Analysis
Go to the market with a £500,000 commission	This was attempted in 2024 and did not return any joint proposals from the market. Given recent events it is even less likely to work this time.
Develop an in-house team	This is the preferred option
Withdraw our £50,000 funding	£50,000 in isolation is unlikely to yield the type of return that we could generate by working with KCC to a larger budget.
Undertake activity on a North Kent (NK) basis instead	With LGR boundaries still under discussion, it would be too early to attempt to commit partners to this, though we can keep a watching brief on the development of NK activities.
Develop something which is a first step towards a team within a Mayoral Authority	Again, this is something that we will be able to have an eye on, though of paramount importance is the effective delivery of services.

5.2. The establishment of an in-house team was determined as the least risky and most cost-effective option. On that basis we are pushing ahead strongly on this plan and it is our clear recommendation to members.

## 6. Advice and analysis

- 6.1. Working to deliver a joint team for these services is strongly advised on the following basis:
  - It offers strategic alignment across the regional functional economic area.
    Fragmentation would dilute our shared brand and reduce impact in national and international markets.
  - It offers economies of scale, allowing us to utilise internal services at a lower cost, getting the most impact from our own £50,000, and we would thereby make it more financially sustainable than any external commission.
  - It enables the rapid redeployment of existing expertise, retaining capable staff and ensuring continuity of relationships and knowledge where retention is achievable.
  - It puts us in a stronger position around devolution and LGR, supporting strategic alignment and readying for future in-house establishment of similar teams in new devolved organisations.
  - It enhances confidence in the sector demonstrating to partners, investors and businesses that we remain committed to working together in promoting economic growth across the region.
  - It enables us to commission specialist services where needed rather than outsourcing everything. This will enable us to be as responsive as ever to changing needs; and.
  - It will help us preserve key assets such as the Visit Kent/Locate in Kent websites and the data that sits behind them as well as the pursuit of the reinstatement of Local Visitor Economy Partnership (LVEP) status, which is critical for industry confidence and national visibility.

# 7. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Failed recruitment	Roles not filled or filled with people who do not perform strongly	Both councils using vast networks to support recruitment; also existing staff in the area will provide good expertise	CIII
Failure of team to meet targets	After review in March 2027 we deem that the shared team has not performed sufficiently well	We will establish a joint oversight board to ensure that the activities of the team are appropriately steered and supported	CIII

Risk	Description	Action to avoid or	Risk rating
		mitigate risk	
Lack of aligned	Extended activities	Continued working	CII
investment from	are not met because	with private sector in	
Private Sector	the private sector are	the design stage to	
	reticent to invest.	ensure that the team	
		focuses on the things	
		that industry want	

For risk rating, please refer to the following table

Likelihood	Impact:
A Very likely	I Catastrophic
B Likely	II Major
C Unlikely	III Moderate
D Rare	IV Minor

#### 8. Consultation

- 8.1. Working with Kent County Council, we have consulted the private sector extensively on future arrangements around supporting the visitor economy and their willingness to support activities moving forward. Conversations have also started around what inward investment activities could look like and how they will interface with other partnerships activities such as the Kent and Medway Economic Partnership.
- 8.2. As would be normal practice, Kent County Council are engaging with districts around their support of this activity and we will also develop conversations with partners in North Kent as we undertake this conscious of upcoming changes owing to Local Government Reorganisation and our future form.
- 9. Climate change implications
- 9.1. The Council declared a climate change emergency in April 2019 item 1038D refers, and has set a target for Medway to become carbon neutral by 2050.
- 9.2. Whilst there are no direct climate change implications from continuing this partnership work, we will make it our expectation that all activities supported by the team are done so with a keen eye on climate change impacts and that the climate friendly credentials of all private sector bodies engaged by the team's work are scrutinised.

# 10. Financial implications

10.1. These activities require an investment of £50,000 across the 2026/27 financial year, this amount is part of the existing revenue budget. There are no further financial requirements outside of adjustments that may be required to accommodate a seconded member of staff or the provision of workspace for team members working flexibly across locations.

## 11. Legal implications

- 11.1 Continuing this partnership work with Kent County Council does not require any procurement or tender activity. The precise nature of the agreement between the two authorities has yet to be confirmed but there are well known mechanisms such as S113 Agreements which can be utilised.
- 11.2 All liquidation activities relating to the closures of Visit Kent and Locate in Kent are being undertaken with the erstwhile Directors of both companies. Liquidators are engaging with Kent County Council and Medway Council officers in respect of transfer of assets and this is being taken forward in partnership, utilising the budgets indicated above where necessary.

#### Lead officer contact

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**Appendices** 

None

Background papers

Kent County Council - 25/00084 - Reinstating a Visitor Economy and Inward Investment Service for Kent & Medway