

ITEM 3

Subject: DRAFT MINUTES of the Kent & Medway Economic Partnership (KMEP) meeting held via MS Teams on 5 November 2024.

Board Member Attendees:

Liz Gibney (KMEP Chairman & Lee Evans Partnership)

Matthew Arnold (Stagecoach)

Chris Broom (Discovery Park)

Prof. Mario Caccamo (NIAB)

Miranda Chapman (Pillory Barn)

Roland Cooper (Considine Ltd)

Nick Fenton (Fenton Associates)

Carol Ford (Horticultural Taskforce)

John Keefe (Eurotunnel)

Vince Lucas (VA Rail)

Andrew Metcalf (Maxim PR)

David Milham (FSB)

Jo Nolan (ScreenSouth)

Tudor Price (Kent Invicta Chamber of Commerce)

Cllr Alan Baldock (Canterbury City Council)

Cllr Monique Bonney (Swale Borough Council)

Cllr Matt Boughton (Tonbridge & Malling BC)

Cllr John Burden (Gravesham Borough Council)

Cllr Rick Everitt (Thanet District Council)

Cllr Roger Gough (Kent County Council)

Cllr Stuart Jeffery (Maidstone Borough Council)

Cllr Harinder Mahil (Medway Council)

Cllr Jim Martin (Folkestone & Hythe District Council)

Cllr Noel Ovenden (Ashford Borough Council)

Cllr Justine Rutland (Tunbridge Wells Borough Council)

Simon Cook (Mid-Kent College)

Jane Harrington (Uni. of Greenwich)

Non-Board Member Attendees:

David Candlin (Tun. Wells BC)

Sunny Ee (Medway)

Michelle Farrow (East Kent Group)

Tom Henderson (KCC)

Stephanie Holt-Castle (KCC)

Brian Horton (Kent Housing Group)

Chris Inwood (Maidstone BC)

Jess Jagpal (Medway)

Joanne Johnson (Swale BC)

Helen Miller (Ashford BC)

Sarah Nurden (KMEP)

Grace O'Donnell (MHCLG)

Andrew Osborne (Ashford BC)

Kerry Parr (Consultant)

Daniel Ratcliff (Medway)

Joesph Ratcliffe (KCC)

Alex Riley (KCC)

Steve Samson (KCC)

Emma Watson (KCC)

Jeremy Whittaker (TMBC)

Board Member Apologies:

Jason Davies-Baker (Unipet)

Sweena Badhan (IOD)

Cllr Jeremy Kite (Dartford BC)

Cllr Kevin Milles (Dover DC)

Cllr Roddy Hogarth (Sevenoaks DC)

Item 1 – Welcome, introduction and apologies.

- 1.1 Liz Gibney (the KMEP Chairman) welcomed attendees to the meeting, particularly Cllr Stuart Jeffries (Maidstone BC Leader) who was attending KMEP for the first time. She accepted the apologies for absence as listed above.
- 1.2 Liz Gibney explained that she wished to trial a slightly new structure to future KMEP meetings, with the future agenda clearly linking to:
 - Central Government policy – to ensure Kent & Medway are well positioned to respond
 - Business Advisory Board feedback – to enhance the engagement with the business sector
 - Thematic Leads’ feedback on K&M Economic Framework Implementation – to be clear on the progress made between meetings
 - Funding and Investment – to ensure that KMEP is kept informed on any funding opportunities available, and the impact of the investments they have supported.

Item 2 – Declaration of Interests

- 2.1 There were no declarations of interest.

Item 3 – Minutes of previous meeting

- 3.1 The minutes of the previous meeting were agreed as a correct record.

Item 4 – Central Government Policy: The Autumn Statement 2024

- 4.1 Sarah Nurden (KMEP Manager) presented an overview of the main headlines within the Autumn Statement. The slides are available [here](#).
- 4.2 The Q&A and comments after the presentation were as follows:
 - Roger Gough asked about the support for local authority growth functions given that the Budget includes a statement saying *“the government is minded to cease funding for the functions previously delivered by Local Enterprise Partnerships and the Business Board Network, and will consult on ending funding for pan-regional partnerships.”* Also, he asked whether there is information on non-Mayoral Combined Authorities’ role in the production of local growth plans.
 - Sarah Nurden explained there is no mention of what would happen with regard to local growth plans in non-mayoral combined authority areas in the budget or industrial strategy. However, in an interview on freeports, the Prime Minister did say every area of England would have a local growth plan. More detail on local growth plans will be forthcoming in phase 2 of the spending review in spring 2025.
 - Grace O’Donnell from MHCLG explained there been no specific wording around non-MCA areas in the budget. How local growth plans work in non-MCA areas is being internally, and it is likely more clarity will come through over the next couple of weeks. The recommendation is, particularly in Kent & Medway, is to continue with your current activities and boards, and MHCLG will then coordinate with us once the clarity comes through about local growth plans.
 - Grace O’Donnell from MHCLG said there was not specific details on the funding for economic development functions within the budget, and would come back to us when there was greater clarity.

- Tudor Price commented that business is doing all the heavy lifting in this budget, and all the employers that the Chamber is talking to are really fed up. The only mitigating factor there could be is the promise of new infrastructure down the line.
- Simon Cook asked what the UK's trading prospects with our nearest neighbours look like, as that needs to be improved to really unlock growth. Grace O'Donnell said international trade is a core strand of the industrial strategy, and she would take that question back to the central policy teams.
- Andrew Metcalf asked about the rationale for removing the Thames Estuary Growth Board. Grace O'Donnell referred to the tight financial budget, and central government's desire for devolution to MCAs. As the devolution deepens and more MCAs are established, the need for pan regional partnership lessens. Grace referred to the Council of Nations and Regions, which is meeting regularly. The idea there is that the mayors will all come together and that is where pan-regional coordination and negotiation should be happening.

4.3 A poll of attendees was taken on their reaction to the Autumn Statement. The results of the poll were: 47% neutral, 27% positive, and 26% negative – so overall, the KMEP board felt neutral about the budget's impact.

4.4 The KMEP Chairman thanked Sarah Nurden for the presentation.

Item 5 – Invest 2035: Industrial Strategy White Paper

5.1 Alex Riley (Programme Manager for Sectors & Economic Partnerships) presented on the Industrial Strategy. The slides are available [here](#).

5.2 The Q&A and comments after the presentation were as follows:

- Roger Gough commented that Kent & Medway had many strong sectors that were not included within the Government's list of 8 high-growth sectors, for example construction, agri-tech, transport and logistics. Alex Riley replied that while these sectors are not directly referenced within the 8 broad sector categorisations, the intention is to refer to them as important sub-sectors. For example, agri-tech could be classified as a non-human life sciences sub-sector.
- Stuart Jeffery voiced his opinion that the Invest 2035 approach is fundamentally wrong. Surely the strategy should not focus on the sectors most likely to grow, but rather focus on the sectors and industries that we most need to support in order to revitalise the environment, make communities better, create better paid, quality jobs.
- Harinder Mahil's opinion differed from Stuart Jeffery's. There is demand for the services and products offered in these 8 high-growth sectors and that was why these sectors were responsible for generating nearly two thirds of our economy's entire productivity growth over the last 25 years. An important sector for Medway is the creative industries. The Thames Estuary Growth Board has been very supportive of the creative industries, and has helped to support the call for larger infrastructure investment in the sector, rather than piecemeal investment. Harinder Mahil thought the potential closure of the Thames Estuary Growth Board was a detrimental step. He hoped the forthcoming 10-year industrial growth strategy for the sector, due in spring 2025, will address the sector's infrastructure needs – one of which is a lack of studio space.
- Monique Bonney commented on the density and quality of employment. Some sectors, such as logistic warehouses, require significant tracts of land, but produce only a handful of lowly-paid jobs. She did not think this was good use of the precious

land in the Southeast, particularly given the traffic implications. She urged KMEP to focus on the opportunities and markets that will give us the density of employment and a larger number of jobs of a better grade.

- Jo Nolan commented that much of the growth around the creative industries has been driven by regional and national partnerships, such as the CREATE groups. It is important that these partnerships continue in order to achieve the government's growth targets.
- Andrew Metcalf commented on the companies based in Kemsley that are working on a joint decarbonisation plan with the University of Kent. This would appear to be a high-growth cluster/strategic industrial site that should be mentioned in the consultation response.
- Roger Gough commented on the slide which showed the number of enterprises within Kent & Medway that fell within the 8 high-growth sectors according to SIC codes. It was a crude measurement, as it does not show the amount of value added by these sectors. Alex Riley responded that standard industrial classifications and business accounts do not provide that granularity that is needed to produce a well-evidenced local growth plan that sets out our sub-sector strengths. The UK Government is using Data City's data to support their work. Data City charge £30,000 per year for a department to access their data. Funding to access their data is not provided by central government, so a key message of the KMEP consultation response will be that if you're using proprietary data sources to inform your policy, then free access to this data should be granted to local authorities.
- Jane Harrington said the skills policy solution required is for a co-ordinated approach, with different skills providers working together. This is already started in Kent and Medway, with FE colleges and universities collaborating. She explained the universities and college have started doing some work to map out new pathways to learning degree apprenticeships with small courses that are geared at the right levels.
- Simon Cook commended Roger Gough for setting up the Employment Task Force as that has brought different skills providers together, and has given a maturity of the relationship around working together for the better benefit of our businesses. The LSIP, run by the Chamber, has also helped strengthen the skills landscape.
- Jane Harrington said one innovation policy solution is to simplify the ways for universities to access funding, particularly, Knowledge Transfer Partnerships, which Kent and Medway has not particularly made use of.
- Simon Cook said one planning and infrastructure policy solution is to focus on improving public procurement processes which are incredibly slow. The procurement processes tend to delay investment or waste money, and by the time the service or goods are procured, prices have spiralled out of control.

5.3 The KMEP Chairman thanked Alex Riley for the presentation.

6. The Voice of Business

6.1 The Business Advisory Board (BAB) is a sub-group of KMEP. Its role is to provide economic feedback about market conditions to the local authorities and education partners, so this feedback can inform future policy development. To ensure BAB's commentary is heard, it has been agreed that a short standing item at each KMEP meeting will be sharing these employers' views on the latest opportunities, challenges and skills matters in Kent and Medway. Alongside this commentary, the latest data on economic performance are shared.

6.2 Liz Gibney presented this feedback which came from the BAB meeting in September 24:

Opportunities	<ul style="list-style-type: none"> • The Chamber of Commerce has seen an increase in startup enquiries. • Multiple sectors, including construction, finance, and life sciences, experiencing increased workloads & improved business confidence. Lloyds Bank survey of 1200 members said confidence at highest level in 8 years. • 62% of businesses are now reporting expectations of stronger output compared to previously. • The recover, pivot, and scale business support programme has been launched through the Growth Hub. • Ticket sales for creative industry events are back to pre-pandemic levels • Gatwick Airport has started a direct service to Singapore, opening potential trade opportunities
Challenges	<ul style="list-style-type: none"> • Ongoing recruitment difficulties in multiple sectors • FSB members very concerned about impact of employment rights bill on day-to-day operations • Nutrient Neutrality continues to impact the construction sector adversely. • Funding continues to be a major challenge for early-stage biotech businesses which is impacting on demand. • Poor digital connectivity in parts of Kent & Medway affecting business practices. • Reduced consumer spend per head at events • Fewer university students applying to local HE (Russell Group have lowered intake requirements). • IOD members very concerned about trading relationship with the EU. • New 'SEDEX' auditing requirements are burdening the agricultural sector. • Poor weather affecting crops & the reappearance of blue tongue virus in East Anglia is a major concern for farmers. • The current electricity cost
Recruitment and skills	<ul style="list-style-type: none"> • Majority of businesses are reporting persistent labour and skills shortages. • Quality of applications fall considerably below desired level. • The agriculture sector applied for a pilot project within the Skills Bootcamp programme but was unable to secure funding. • The Kent & Medway local skills improvement plan (LSIP) received a vote of confidence from the Government's Minister for Skills.

7. Thematic Leads' updates on Economic Framework Implementation

7.1 KMEP has a private-sector and public-sector Thematic Lead, who has oversight of each of its ambitions within the Kent and Medway Economic Framework:

<i>Ambition</i>	<i>Private Sector Thematic Lead</i>	<i>Public Sector Thematic Lead</i>
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Enabling innovative, productive and creative businesses	Tudor Price	Steve Samson
Widening opportunities and unlocking talent	Simon Cook	Dan Ratcliffe
Securing resilient infrastructure for planned, sustainable growth	Vince Lucas	Tom Marchant
Placing economic opportunity at the centre of community wellbeing and prosperity	Nick Fenton	Andrew Osborne
Creating diverse, distinctive and vibrant places	Miranda Chapman	Adam Bryan

7.2 The Thematic Leads presented an overview of the activities that had been undertaken between KMEP meetings to deliver against these ambitions. The slides are available [here](#).

7.3 Tudor Price's comments on 'Enabling innovative, productive and creative businesses' included:

- Meetings have taken place with representatives of the University of Greenwich, Kent, and Canterbury Christ Church, as well as with Innovate UK. Their agreement to be part of a new Innovation Partnership has been secured.
- Tudor has had meetings with private equity investors and the British Business Bank. He has been looking into how Kent and Medway could leverage private sector investment. It appears that there are funds available out there, however, it is much easier to lend 500 million than it is to invest 5 million. Many private equity investment and venture capitalists aren't looking at smaller investments that we have in Kent and Medway, rather they are drawn to the larger opportunities in London. Another issues is that the British Business bank have a range of regional investment organisations, none of which are in the southeast. However, the Government have extended the remit of the British Business Bank, to create a regulated arm of their business, which will leverage private sector investment, so there is a new opportunity there. Next steps is to consider how we can create an environment and case studies and facilitation to encourage those businesses that are expressing an interest to be able to access those lower level funds and then to use those as case studies that then encourage others to come forward.

7.4 Chris Broom said companies are saying it is quite tough to raise capital at the moment from venture capitalists, high net worth individuals, etc. Many companies are applying for UKRI funding, but the competition is intense. For instance, in the latest smart funding round, companies had to score something like 96 or 97% on those applications. A number of grant writers now are advising clients not to even bother with smart funding because the competition versus the likelihood of success is so remote. There was a recent innovate competition for women founders as well, where there were circa 1400+ applications and 23 grant awards. The reason why innovate funding is so competitive at the moment is because clearly companies are massively struggling to raise capital, so they're all going for grant funding, with Innovate funding seen as almost the only game in town.

7.5 Simon Cook's comments on 'Widening opportunities and unlocking talent' included:

- The Local Skills Improvement Plan (LSIP) and Employment Task Force are two key elements driving forward this ambition.
- The Employment Task Force is focusing on apprenticeships, and at sectors that have a very low take up of apprenticeships, starting with the a social care sector.
- The Government has announced its targeted supported employment programme. It will provide support help to people facing complex barriers to work, and

participants will be supported by job coaches. The programme is expected to reach 2,900 participants in Kent & Medway per year to 2030.

7.6 Vince Lucas' comments on 'Securing resilient infrastructure for planned, sustainable growth' included:

- There has been much activity in the Eurostar space since the last meeting, including meetings with Eurostar themselves, senior civil servants, and there is also agreement from the Secretary of State to now meet with MPs on this matter. KMEP representatives have been able to dispel the myth that Eurostar is not running via Kent stations because of their debt levels or because it's not commercially viable. Going forward, January 2026 marks the 30th anniversary of the opening of Ashford International Station, and Vince suggested that KMEP may want to use that as an opportunity to rebuild publicity (starting in January 25).
- On Lower Thames Crossing, partners need to make sure our voices are heard in this in the background. Vince Lucas asked partners to lend their support to the lobbying campaign, whether it's on LinkedIn, whether it's by showing support by signing up to the National Highways map of supports, whether it's by contacting your local MP, or elsewhere. Vince Lucas and David Robey are pushing this issue at Transport for the South East as well.
- Vince Lucas commended Tom Henderson (Kent's Strategic Energy Manager) for the tremendous amount of work he has done to understand the gap between energy supply and demand and how that changes as we go forward. In Kent and Medway currently, the areas of high energy demand and supply are not always the same. A response has been sent from Kent County Council and KMEP to the Ofgem consultation on the regional energy strategic plan which is going to be vital for us to meet our needs going forward.

7.7 Sarah Nurden provided comments on Nick Fenton's behalf about 'Placing economic opportunity at the centre of community wellbeing and prosperity':

- A new strategic partnership for Health and the Economy has been established. Its first role is to create a new policy that focuses on how to support people who are economically inactive due to ill health to start work, stay in work, and succeed in work.
- 115 stakeholder interviews have taken place that has produced 4 draft aspirations for this new strategy. These aspirations have been agreed by the strategic partnership, and now work is underway on developing the commitments which will see those aspirations delivered.
- The draft Work and Health strategy will be presented to the Strategic Partnership on 25th November before the strategy goes out to public engagement, hopefully on the 1st of December. KMEP board members views on the draft strategy will be sought at this time.
- If any KMEP members wish to join the Strategic Partnership, please do let Sarah know.

7.8 Miranda Chapman comments on 'Creating diverse, distinctive and vibrant places included:

- The Creative Sector remains very important for Kent and Medway. The successful Create South East programme, which has supported high-growth potential creative businesses to become investment-ready, is coming to the end. A bid has been made to DCMS to continue the programme next year. The Create South East programme

has been oversubscribed, showing how important support for the sector is to this region.

- Work is underway to develop a brand Kent programme, which is now under the banner of 'Grow In Kent'. The resulting work is going to deliver a more organised and synergist approach to partnership across Kent and Medway. It underpins all of the work that's being done by other sort of groups across the county. It's currently in its stakeholder development phase and Miranda and Alex will come back to present it to KMEP early in 2025.

8. Kent & Medway Housing Strategy

- 8.1 The Chairman welcomed Brian Horton (Chairman of the Kent Housing Group) and Kerry Parr (Consultant) to the meeting.
- 8.2 Kent Housing Group is a membership organisation of local authorities and housing associations across Kent and Medway. Brian Horton and Kerry Parr spoke about the evidence base for the 4th iteration of the Kent and Medway Housing Strategy, which remains a unique document as the as the only truly bottom up housing strategy across the UK. Kerry Parr presented slides on the evidence base for the housing strategy, which are available [here](#). The intention is to launch the Kent Housing Strategy at a conference in June 2025.
- 8.3 The Q&A and comments after the presentation were as follows:
- Simon Cook and Miranda Chapman bought commented on the links between poor quality housing and the impact that has on college students' outcomes.
 - Miranda Bonney suggested a discussing with the NHS hospital trusts that own quite a lot of housing, which is for their staff, but it's also for education and those in training. Much of their housing stock is in really poor condition, which isn't great, because if you're trying to recruit and retain, you can't, and there is not enough of it. Monique Bonney suggested speaking to the Trusts, engaging them in the strategy development, and seeing what could be done collectively.
 - Carol Ford suggested that Brian Horton comes and presents to the Kent Rural Group, as they are potentially a good source of information on rural housing. Brain Horton agreed to do this, and asked Carol Ford to connect him with the correct individuals.
- 8.4 Brain Horton concluded the presentation asking KMEP members to provide feedback and insight to KHG on the evidence base that will be used to support the strategy development. A full list of questions is provided in the evidence base survey <https://forms.office.com/e/diz4AKJ86U>. The deadline for responses is 6th December.
- 8.5 The KMEP Chairman thanked Brian Horton and Kerry Parr for attending. The item on Growing Places Funding was deferred to the KMEP meeting on 5th December. The Chairman closed the meeting.